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El Salvador Gives Plan To Demobilize Contras

PA0308213789 Panama City ACAN in Spanish
1955 GMT 3 Aug 89

[Text] Guatemala City, 3 Aug (ACAN-EFE)—The Salvadoran Government took a more flexible position in the Central American foreign ministers meeting being held in Guatemala. It proposed that the Salvadoran guerrillas demobilization plan be different from the Nicaraguan contra plan.

Nicaraguan Foreign Minister Miguel D'Escoto reported today that his Salvadoran colleague Manuel Pacas had accepted in principle that the Farabundo Marti National Liberation Front [FMLN] demobilization plan be discussed separately from the plan for the anti-Sandinists.

The Salvadoran Government had announced over the past week that it would propose a parallel plan to demobilize the FMLN and the contras.

D'Escoto said the foreign ministers meeting that ends today [3 August] in Guatemala had been "positive," especially because of El Salvador's change of position.

The Sandinist foreign minister stated that today the foreign ministers will hear the Salvadoran proposal to include disbanding the FMLN in the upcoming presidential summit's agenda. The summit is to be held from 5 to 7 August in Tela, Honduras.

The Nicaraguan official said the Salvadoran proposal could not be discussed together with the contra demobilization plan because the latter had been approved by the five Central American presidents at the last summit meeting held in February in El Salvador.

Diplomatic sources expressed optimism that important advances would be attained at the foreign ministers meeting, which is to prepare for the presidential summit.

Nicaraguan Resistance [RN] leader Roberto Ferrey, who is in Guatemala, has expressed support for the Salvadoran proposal.

Ferrey added that he would present to Guatemalan Foreign Minister Mario Palencia the RN's view that there must be a democratic process in Nicaragua prior to approving the contras demobilization.

Cuba

GRANMA Reports Canceling Soviet Magazines

FL0408150389 Havana Tele-Rebelde Network in Spanish 1105 GMT 4 Aug 89

[Text] GRANMA's editorial staff has prepared an article published under the title "An Unpostponable Decision Consistent With Our Principles." Following is the text of the article:

For over a year, the party's leadership has been forced to reflect on several occasions about the contents of some of the numerous Soviet publications circulating in the country, especially MOSCOW NEWS [NOVEDADES DE MOSCU, in Spanish] and SPUTNIK, which circulate on a weekly and monthly basis, respectively. The two publications express views and positions regarding the construction of socialism based on a certain interpretation of Soviet experiences, which are almost always debatable when they do not differ substantially from the views and essential line of our party regarding the ways and methods of the construction of socialism, as well as basic ideological and ethical matters.

MOSCOW NEWS proclaims itself as supporter of the set of reforms called perestroyka and glasnost or information transparency. SPUTNIK, with an editorial profile similar to U.S. (?READER'S DIGEST), is composed of a group of articles published in the USSR today. It is based on, of course, the emphasis it wants to give and the trends, which are favored by the selected articles.

What is published in the Soviet Union or in any other country where socialism is being built is, of course, a sovereign prerogative of each political or state leadership. Such prerogative is unquestionable and the way it is exercised and its consequences are a responsibility of each of them. We will always abide by the principle of the strictest respect of the right of the leadership of a revolutionary process or simply a state to establish its norms, laws, and practices in all areas.

At the appropriate time, we saluted the diffusion of the foreign policy of the current Soviet leadership in matters regarding relations between socialist parties and states when it announced it understood the legitimacy of the various paths which reflect the experience and concrete historic conditions and its conscientious respect to the right to choose which only corresponds to each leadership and people.

The policy of entry and circulation of foreign publication is obviously part of these prerogatives. In our case, this is developed through agreements established between Cuban state organizations and their counterparts abroad. In virtue of these agreements, 36 Soviet publications are distributed in Cuba with a total circulation of 15,850,458 copies a year. All these publications, without exception, promote and defend, in one way or another, with its nuances and peculiarities, the process currently under way in the Soviet Union.

This means that 1.5 copies of Soviet publications for each Cuban arrive here. If we did it the other way around, and we wanted to provide the Soviet people information about Cuba and our country's views on important problems of the construction of socialism, we would have to send to the USSR 420 million copies of Cuban publications each year. Anyone could understand that this is materially impossible. Therefore, the views of our party are known in the Soviet Union through carefully selected and edited isolated pieces of information which appear in its press.

We—and this is worth stressing—know how to tell the difference between official views of the USSR party and Government and the opinion of its leaders from the views of an article writer, journalist, or any citizen who expresses himself through Soviet publications.

The rejection of articles published in MOSCOW NEWS and SPUTNIK is what does not leave room for mistakes for us. Reading them gives the impression that the USSR has been left without history. In one article after the other, in an apparent wave, the idea is stressed that it is necessary to build [the Soviet Union] from scratch, overcoming years of mistakes, crimes, misfortune, and stupidities, that everything in the past should be denied to advance with new concepts, which are ideologically non-committal, through the path of economic development by imitating methods of developed capitalist with all its consequences. They forget that only thanks to what has been achieved during these years of Soviet power and the shadow of the strategic equality is what makes possible to develop the current process in that country.

Those who do not know in depth the history of the USSR will painfully think about 70 lost years. Those who are not firmly convinced of the historical need and possibilities of socialism could doubt about its viability and even lose hope. Those who dream with the dismantling of socialism applaud and cooperate. The previous history is denied in those publications and the present is being subject to drastic measures.

They publish formulas that favor anarchy, shielding themselves in the indispensable diversity of views. The analysis of the way to behave and use the main principles of Marxism-Leninism in line with the new historic conditions introduces elements that lead to its denial. The necessary search for new methods to guide the economy intends to deny the political-ideological component of all economic policies and appears to not recognize that leading the socialist economy is more than using techniques and mechanisms.

In their pages, one can discover the apology of the bourgeois democracy as a supreme form of popular participation as well as the fascination with the U.S. way

of life. Imperialism has disappeared. Those in the Soviet Union who today deny the guiding role of the party and demand multiple parties, proclaim the free action of the laws of the market, sublimate foreign investment, rediscover private property, question internationalism and solidarity aid to other countries, are portrayed by these publications as radical left-wing democrats defenders of the interests of the people. Even supporters of the women's home service slavery find a place in these publications.

The subversion of values leaves no room for doubt that the analysis of the past and present realities gives way to unilateralism. There were no enemies of the Soviet power, only victims. MOSCOW NEWS and SPUTNIK pave the way for those who have begun to challenge Leninism and are prominent for their insults to Vladimir Ilich Lenin.

Our party's leadership has been faced several times with the dilemma of sitting back and doing nothing and even dissuading journalists, cadres, and specialists who approached it suggesting they rebut one or another Soviet writer or begin a confrontation.

One thing we can already regret is the negative consequences we have noticed as a result of having among us these distortions, confusions, fabrications, which, in sum, they constitute painful evidence of lack of political education and education in general, which is to have discovered 50 or 60 years late, truths of contemporary capitalist societies, from Donald Duck to the alleged superiority of U.S. democracy.

It is almost an absurdity to attempt to persuade a Cuban party member that it is not up to him and he should not defend the work of the October Revolution when he is confronted with the shameful and nihilist views appearing so frequently in MOSCOW NEWS and SPUTNIK. This is, by definition, an ideological and political matter and does not mean that a personal attitude regarding a Soviet publication should be turned into a problem. It would be foolish to even believe it. We don't have to make premature judgments on the reading preferences some people may have in our country.

But with pain and bitterness we have had to face the consequences in young and ill-informed people from the ideological and historical point of view of all these confusions and ideas. We are responsible for this. We would not be saying the truth if we denied that such reading has had an effect in some people in our country. With grief we know of sterile efforts being made to find examples which in some way could be associated with experiences of the Soviet Union because some, in order to justify copying solutions, want to invent here the same mistakes we have spared ourselves of committing.

We have made our own mistakes and those are precisely the ones we are rectifying. We are not reluctant to debate social sciences problems among informed people and even in broader circles. But we cannot allow an agenda which has nothing to do with our situation and priorities to be virtually imposed on us.

We have talked about these concerns with Soviet comrades. We have even discussed specific cases. We should say that not few times the explanations have been as surprising as the articles themselves. We soon learned, for example, the reasoning of one of the editors to explain to us the subjects, thinking, and language used. According to him, everything was determined by the fact that they were geared to the Western public. If this were really true, we would have to say that we actually belong to the West, according to our geographic location, but are Marxists-Leninists and we struggle for socialism and communism. Therefore, publications such as these do not correspond to our situation and our interests, thus, they are not for us.

This explains that, for a long time, numerous cadres and party members, as well as other revolutionaries from the entire country, have been exerting a growing pressure. They approached the Communist Party of Cuba Central Committee to protest several articles and other material which have appeared in these publications and, at the same time, they expressed their lack of understanding for them being distributed.

This set of circumstances has not left our party's leadership another choice than to cancel MOSCOW NEWS and SPUTNIK from circulating in the country.

U.S. 'Spy Aircraft' Incident Reported

FL0408121089 Havana Tele-Rebelde Network in Spanish 1100 GMT 4 Aug 89

[Text] Cuban civil aviation authorities have reported that, on 2 August at 1627, Colombia's Avianca Boeing 727 flight 063, while flying from Miami to Colombia, made an incident report, that is, a complaint, to Cuba's air traffic controller, ATC, indicating the following:

At 140 km north of Simon Reyes' VOR [very-high-frequency omnidirectional range] check point, flying from north to south, he came across a silver-blue aircraft which was flying from east to west at the same altitude and at a speed from 800 to 850 km per hour. It said it was a big aircraft, apparently a Boeing, and added that had it been flying at a greater speed, a collision would have been unavoidable. This incident report was forwarded to the ATC's of Miami, Colombia, and Cuba.

Based on investigations conducted after the report was received, it was concluded that a U.S. RC-135 aircraft similar to the one reported by Avianca's Boeing, was conducting spy activities against Cuba at that time. This aircraft was not authorized to fly, which constitutes a violation of international air traffic agreement regulations.

Commentary on Hearings on U.S.-Cuban Relations

FL0308185889 Havana Radio Rebelde Network in Spanish 1700 GMT 3 Aug 89

[Station commentary]

[Text] The U.S. House of Representatives has been holding hearings which are said to be closely examining relations between Cuba and the United States. According to the information available to us, those hearings will resume and end next September. High-level State Department officials, Democratic and Republican congressmen, scholars, and former diplomats who fulfilled official missions in Havana are participating in the hearings.

For several reasons, we believe these hearings are very useful and are no less important—perhaps more because of the fact that they are being held than because of their future results. We consider the fact that such a forum had not been held in the United States in 15 years. Undoubtedly, we are looking at a serious effort when a problem is faced after setting it aside for all this time and attempts are made to discuss the problem in depth.

Up to now, no government official has said a word that would signal a more realistic turn in the U.S. position toward Cuba but voices have been heard which we believe are on target. George Crockett, chairman of the House of Representative's Foreign Affairs Committee, said: Why not sit down and talk with Cuba if we can sit and talk with the USSR? He continued saying: We cannot deny that in these 30 years of hostilities, the United States did not achieve its goals. He went on saying: President Castro continues to head the government and our policy of marginating him from power and putting an end to his Marxist administration failed. Crockett added: Isolation and all attempts of military intervention also failed. The congressman ended by stating: The only political option we had not tried is to sit and negotiate with Cuba on our basic differences. We believe in the old adage that says: Courtesy and valor are not mutually exclusive. We say this is an absolutely responsible position.

In the past, each U.S. Administration made up its own theory to avoid a serious and unconditional dialogue with Cuba. The current one may or may not do the same. It is not up to Cuba to assess it but each one of the last eight administrations failed with theirs.

It would be a mistake to interpret that Cuba is calling for a dialogue with the United States at any cost. This idea would unavoidably lead to unacceptable positions of power. Cuba maintains what it has always said: If this type of encounter were proposed in terms of equality, responsibility, and respect, this country's leadership would not put any obstacles for it to take place.

Cape Verde's Foreign Minister Arrives for Visit

FL0308153589 Havana Radio Progreso Network in Spanish 2230 GMT 2 Aug 89

[Text] Cape Verde's Foreign Minister Silvino Manuel da Luz arrived in our country on a private visit today. The Cape Verde leader, member of the African Party for the Independence of Cape Verde Political Committee, was received at the Jose Marti Airport by Jose Viera Linares, acting Cuban foreign minister.

Espin Greets Internationalists Back From Angola

FL0308125089 Havana Tele-Rebelde Network in Spanish 1100 GMT 3 Aug 89

[Text] Some 150 more combatants returned to the fatherland last night after fulfilling their honorable mission in Angola. Colonel Pedro de la Cruz, who traveled at the head of this group, was the first one to receive greetings from Comrade Vilma Espin, member of the Communist Party of Cuba [PCC] Politburo and president of the Federation of Cuban Women, and Melba Hernandez, member of the PCC Central Committee, and high-level officers of the FAR [Revolutionary Armed Forces] and MININT [Interior Ministry].

[Begin recording] [Unidentified reporter] Angola represents one of the most beautiful pages written by our people. Comrade Vilma, what do you feel when you receive a group of young internationalists like these?

[Espin] Imagine, each one of them is a child who returns. I feel that I am here as a first step before they see their relatives. We are, perhaps, the first person they see now at this time, the first Cuban they see. I feel as though I am their mother, sister, everything. So, imagine, I come here with great emotion and with the respect one has toward each one of the younger and older ones that are arriving because of the mission they fulfilled and the way they represented Cuba. [Video shows soldiers stepping out of the aircraft and being greeted by a group of people, including Vilma Espin.] [end recording]

Ceremony Marks 15th Anniversary of FAPLA

FL0308233089 Havana Radio Reloj Network in Spanish 1932 GMT 3 Aug 89

[Text] The main ceremony of the Revolutionary Armed Forces [FAR] marking the 15th anniversary of the founding of the People's Armed Forces for the Liberation of Angola, FAPLA, was held at a large tank unit of our Western Army.

During a greetings exchange, Brigade General Urbelino Betancourt recalled the magnificent history of the FAPLA during its 15 years in existence. He also highly acknowledged the efforts of the FAPLA in consolidating the conquests of the Angolan people.

Colonel Rafael Sapilinha, Angolan military attache for the Navy and Air Force in our country, expressed gratitude for the contribution of the Cuban people, and especially Fidel's, for the unselfish aid given to his country. Sapilinha, who is also a member of the Central Committee of the Popular Movement for the Liberation of Angola—Labor Party [MPLA-Labor Party], highlighted the support of all the Cuban people, particularly their help with Namibia's independence process.

Home Searched by Police; Two Men Arrested

FL0308185989 Havana Radio Progreso Network in Spanish 2230 GMT 2 Aug 89

[Police report]

[Text] We report to you from the PNR [National Revolutionary Police] command post that members of the National Department of Criminal Investigations have conducted a house search in the home of citizen Jose Roque Castillo located on 22820 227 St, Reparto Fontanar, Boyeros Municipality, Havana, where they seized 81 boxes of imported shampoo and 770 pesos.

Police forces also discovered a large amount of leather used by Roque Castillo and his accomplice Jaime Arnaldo Hernandez, who resides on 10042 63 St, Marianao, to cover clutch disks and break pads. Among other objects seized from the accused, who is not employed, were 20 brake bands, a polishing machine motor, a motorcycle with its side-car—which belonged to the Transportation Ministry—and other articles of questionable origin.

The two men charged are, for the moment, detained at the National Department of Police Investigations while the probe continues to uncover everything regarding this crime. As soon as the police investigation ends, the aforementioned transgressors will be turned over to the tribunal which will try and sanction them in accordance with each of their criminal violations.

Grenada

Mitchell Defends Caribbean Democrat Union

FL0308145289 Bridgetown CANA in English 2236 GMT 2 Aug 89

[Text] St George's, Grenada, Aug 2, CANA—The leader of Grenada's New National Party (NNP) defended the Caribbean Democrat Union (CDU) on Wednesday [2 August] against charges of interfering in Grenada's internal affairs.

The CDU, a grouping of right-wing and centrist political parties, has provided the NNP and other member groups with "technical and organisational support," Dr Keith Mitchell told a news conference.

"This is nothing new which is happening in Grenada, "Mitchell said. He claimed that opposition leader George Brizan had told a regional radio station that the CDU had people in Grenada who were advocating violence in the next elections.

Mitchell showed the media pamphlets which are now circulating in St George's and which Mitchell alleged were being distributed by supporters of Brizan's National Democratic Congress (NDC). One of these pamphlets charges that "four Jamaicans from the Jamaica Labour Party of CDU Chairman Edward Seaga "are in Grenada encouraging certain NNP people in wrong-doing."

Some of their plans, the pamphlet says, are to create confusion and disorder near the polling stations on election day and "getting a few gunmen to fire shots in the bush near a polling station to scare away voters and force them to stay at home."

"Such behaviour by the NNP gang and their Jamaican gangsters is revolting, foreign to us and needs to be exposed," it said.

The pamphlet referred to the 1980 Jamaica elections "when over 800 persons were killed in political violence" and said: "We don't want that in Grenada."

"We therefore call on Grenadians to call on the Ministry of National Seucrity to deport these vermin and brood of vampers immediately," the pamphlet, signed by patriots for our fatherland, said. "We also call on the leader of the JLP in Jamaica, Edward Seaga, to recall his people now."

Mitchell said Brizan was a member of the NNP when that party joined the CDU and, therefore, knew of the commitment of CDU to provide technical and organisational support to member parties. Brizan would know also Mitchell said, that this support has been given in several other Caribbean islands to political parties who are members of CDU.

The NNP leader said Brizan's attack was nothing more than "cheap dirty and vicious politics."

He said it was also an attack on the CDU and on the credibility of those prime ministers who, as members of CDU, have sanctioned the coming to Grenada of the CDU team to advise the NNP.

Haiti

Finance Minister Comments on Free Zone Project

FL0308134789 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 2 Aug 89

[Excerpts] Two government ministers—Finance Minister Leonce Thelusma and Commerce Minister Yvon Cesar—as well as Central Bank Governor Jacques Vilgrain, held a news conference yesterday morning on Haiti's economic situation, which is in bad shape and on the gourde, which has lost face, so to speak, vis-a-vis the dollar.

The finance minister presented the picture of the economic situation, which has been declining steadily since 1986 and is today in very bad shape. He added that the government is trying every way it can to redress the situation. That's how Mr Thelusma came to speak of the efforts that must be made to resume tourism to obtain help from Haitians overseas, as well as the need to start several projects, such as the Fort Dauphin project.

However, at no point did the ministers speak of the nation's real production, which is based on agriculture.

Let's listen to an excerpt from this news conference.

[Begin recording] [Unidentified reporter, in progress] ...unconstitutional. Is it not unconstitutional to sign a contract of this nature?

[Thelusma] Well, I don't think that's right at all. I mean, a contract like this really attacks the problem of the unemployment among the population. I don't think the government stops existing just because it is provisional. Furthermore, there are a number of agreements that we sign that I don't think are unconstitutional either. For example, next week we are going to sign a contract for projects valued at more than $30 million with the World Bank. I don't think I need authorization for that either. Furthermore, the legislative bodies do not exist. If I wait for them, when will this country function? I don't think it ever will. [passage omitted]

I don't think we are disobeying the Constitution as long as we are acting in the interest of the Haitian people. I think any self-respecting government (?is not endangering) the nation, as long as it acts with the well-being of the Haitian people in mind.

Let me tell you, this is the first time in the history of Haiti that such a well-balanced contract has been drawn up with foreign and local entrepreneurs. [passage omitted] It was drawn up by an inter-ministerial committee, involving the Ministries of Planning, Economy and Finance, Agriculture, and Commerce and Industry. These four ministries got together to come up with this contract. I think it is an extremely well-balanced contract, which gives the Haitian Government an enormous right of inspection. This has never been the case in the past. [passage omitted]

The government has many guarantees,too, so that if it wants to suspend the contract, it can do so and not lose out.

I must tell you that no lands have been granted. [passage omitted] Nobody has given away Plantation Dauphin. Only 1,500 out of 16,000 hectares have been distributed. That means that many opportunities exist for everyone on Plantation Dauphin. If someone wants to form an agricultural (?colony), he can do so. If someone wants to set up an agro-industry, he can do so—but right near a free port. That's all. [end recording]

Many journalists were disappointed with this news conference because they did not get satisfactory answers to certain questions they asked, such as: Does the government have the right to lease land from the Fort Dauphin estate to a foreign company? his question was never answered satisfactorily. The finance minister sort of insisted that seeking the good of the Haitian people should come before all else, implying that the nation's law should be set aside in this case. However, the following questions could be asked: What is good or not good for the Haitian people? Who defines this? Who has a right to decide what is good for the Haitian people and what is not?

Reports on Economic Crisis

FL0308123089 Port-au-Prince Radio Nationale in Creole 1300 GMT 2 Aug 89

[Text] Yesterday, Minister of Economy and Finance Leonce Thelusma, accompanied by his colleagues Commerce Minister Yvon Cesar and Central Bank Governor Jacques Vilgrain, presented a tableau of Haiti's current economy, along with the government's plan to redress the economy and counter these difficulties.

The 4 percent growth rate that Haiti has had since 1986 has remained the same. There has been no change, said Finance Minister Thelusma, who added that the cumulative deficit as of 30 June 1989 is 165 million gourdes, a deficit which the government intends to reduce through quick action (?against) the government's debtors.

The DGI—General Tax Directorate, the tax office—alone has a deficit of 40 million gourdes. This is money that private citizens owe the DGI. These people are not doing their civic duty.

The finance minister also said that measures have been taken to limit the expenditures of government enterprises to be able to fill the void in the government coffers. He announced that the government has ordered the different ministries to reduce their expenditures by 15 percent to permit the Haitian Government to (?get through) the 1988-89 fiscal year.

Mr Thelusma also seized the opportunity provided by this news conference to shed some light on the contract signed by the Haitian Government with the firm Hong Kong Caribe Haiti S.A.M. to (?use) 1,500 hectares of land in Fort Dauphin to set up a free zone in Haiti. Mr Thelusma said this is the first time Haiti has signed such a well-balanced contract. He said the goal of this contract, a contract supervised and endorsed by the Office for General Audits and Administrative Litigation, is to revitalize a dead area, an area that for all practical purposes no longer exists, as well as to reverse the tendency of our peasants to leave their homes and come swell the slums in Port-au-Prince.

The minister also emphasized the matter of decentralization, which is important for the nation's development.

Other very important matters were discussed during this news conference, such as the U.S. dollar, which is climbing seriously on the parallel market despite the measures the military government took by decree dated 7 July 1989. The press conference was held at the Ministry of Finance and Economy yesterday morning to inform national public opinion on certain very important problems in Haiti.

Cites Economic Plans

FL0308173189 Port-au-Prince Radio Metropole in French 1045 GMT 2 Aug 89

[Excerpts] [Announcer] [Passage omitted] During a news conference yesterday, Finance Minister Leonce Thelusma announced that the government was going to take out new loans to redress the economic situation. [passage omitted]

[Reporter Clarens Renois] The Haitian economy has not grown since 1986 and has just gone through 2 extremely difficult years. [passage omitted] The finance minister said this situation is due to the rationing of foreign aid. Thelusma gave as examples the $15 million commercial credit granted by the U.S. Department of Agriculture and loan agreements signed with the French Cooperation Bank. These funds have, to this day, not been paid out.

As a consequence of the cut-off of U.S. aid to Haiti, $100 million dollars was taken out of the national economy. This situation thus provoked a Haitian public sector deficit of some $30 or 166 million gourdes. [figures as received] Furthermore, this deficit has been financed by the Central Bank.

In this regard, Leonce Thelusma explained that the deficit is due to the fact that the public administration has spent too much money. For example, between January and June, ministerial expenditures rose from 50 to 83 million gourdes. Secondly, taxpayers have not paid their debts to the General Directorate of Taxes. This debt today comes to 40 million gourdes. Lastly, in order to cut down on unemployment, which affects 55 percent of the work force, the Haitian Government has had to generate jobs through a 54-million-gourde investment program. Thus, in the absence of foreign aid, all these expenditures are covered by the Central Bank. However, beware, says the minister. The Central Bank will soon no longer be able to do it. [passage omitted]

[Begin Thelusma recording] The government believes it is every citizen's responsibility to contribute validly to the construction of the social edifice, in order to bring relief to this population, which has already suffered too much. [passage omitted] I ask Haitian technocrats, who shine due to the quality of their thinking, to come up with arrangements that reflect the reality of Haiti. [end recording]

[Renois] The minister acknowledged the need to reduce public expenditures, and also admitted that the national economy's structures were weak.

A decline in the gourde's power can be provoked by too great a monetary mass, a monetary mass destined for satisfying consumer demands. However, Thelusma also attributed the weakness of the local currency to a structural problem: a lack (?of U.S. dollars) in the economy. However, stressed Thelusma, there is also speculation by certain individuals. He avoided naming the individuals, of course. Thelusma said these individuals were connected with certain institutions which have not yet been named. According to the finance minister, the decline of the national currency has to do with all this. Thelusma thinks that an influx of dollars into the national economy is necessary in order to redress this situation.

[Begin Thelusma recording] This situation also depends to a great extent on the expectations of the economic agents. I believe an influx of dollars into the economy will most certainly improve the situation of the declining gourde. I believe—in fact I can even tell you—that we will soon sign agreements, contracts with multi-lateral agencies that are capable of giving us this influx of foreign resources, which is going to make this current situation better. I mean, this situation is distressing. [end recording]

[Renois] [Passage omitted] However, regarding the decree of last 7 July on the decline of the gourde, Thelusma thinks it is perhaps too soon to speak of failure, even though a month after the promulgation of this decree, the dollar is still at its highest ever, 35 percent.

Regarding the free zone on Plantation Dauphin, the finance minister explained that this initiative will be extremely profitable for Haiti and should generate close to 10,000 jobs in the Department of the Northeast, in Fort Liberte. Formally guaranteeing that no land will be granted to the Monte Christi Corporation, and that no toxic waste will be deposited on Plantation Dauphin, Thelusma also explained that the provisional government of which he is a member has made a solemn and legal commitment that does not violate the Constitution.

[Begin Thelusma recording] We are talking a chance on this company and I think we had to do it. We had to take this chance. We had to. We have to start doing something in this country! We studied the matter, and we think that Hong Kong Caribe is a company that can make money because the promoters have experience in such matters. So, we took a chance on it with them. At the same time, we established safeguards so that the government can protect its rights should things not work

out. However, if things do work out..... [changes thought] I don't know if you know what a free zone is, what kind of income it can bring a country, how many people it can provide jobs for. It's incredible. Next door to us, for example, in the Dominican Republic, there are (?13) free zones. This is an enormous support to their balance of payments and we ourselves don't have any.

Now there is a draft law governing the setting up of free zones in this country. We are sending people out to study the principle of free zones, so that we can have our own experts on the matter too. I think that if the experience turns out to be a positive one, I don't see why we should refuse to give them an extension should they ask for one and should there not be another interest group doing anything as productive. In my opinion, the government signed this contract to revitalize an area that is dying, the Northeast. Also, the government needs to decentralize things away from Port-au-Prince. If we had any serious statistics, I'm sure we would see that possibly as many as 1,000 persons move to Port-au-Prince per day. Well, the government wants to reverse this trend. It needs for people to stay in other places. It also doesn't want people to take boats and go abroad. If we have a zone, a pole of regional development, like it is doing here, well, I think this is an acquisition [as heard].

So, when you say you can't see what lies at the bottom of the contract, well, I think that there..... [changes thought] I mean, the contract was made public. Nothing is being done under the table. Read the contract and you will see its objective. The government's objective is to create more jobs and develop an area that is in complete decline, both economically and socially. We think that if this is done, the Northeast will be revitalized, and this will be good for Haiti too. [end recording]

The investors in Hong Kong Caribe will not only be members of the U.S. company, the Monte Christi Corporation, but also Haitians who live abroad, among them a group of doctors. [passage omitted]

Conacom Responds to Economic Measures
FL0408131189 Port-au-Prince Radio Metropole in French 1045 GMT 3 Aug 89

[Text] [Announcer Clarens Renois] Conacom [National Committee of the Congress of Democratic Movements] comments on several of the government's economic measures. Conacom's national secretariat wishes to express its concern over the significance, as well as the feasibility, of certain economic measures taken by the provisional military government, particularly the decree on the distribution of land to needy peasants and the contract signed in the name of Haiti with the Monte Christi Corporation.

Conacom is concerned for the following reasons:

First, because these economic measures are not integrated into an overall general policy plan, they leave doubts in the nation's mind as to the provisional government's exact objective. In the absence of a parliament, the de facto government, acting as both executive and legislative branches of the government, is taking measures which Conacom says can have profound consequences on the nation's future. Conacom feels that on matters as important as agrarian reform and the setting up of free zones, the military government should be careful to take into account the observations made by sectors of the civilian society objectively concerned, such as peasant groups, agricultural associations, the Association of National Industrialists, merchants, union federations, etc.

The fact that the government did not deem it necessary to do this allows one to entertain any and all hypotheses as to what is behind these economic measures, says Conacom.

Conacom's second observation is that the government has overstepped its prerogatives as a provisional government in charge of managing current affairs until the next elections.

In this connection, Conacom is astonished to learn that General Prosper Avril's government is taking measures through the Ministry of Planning and External Cooperation to prepare a 2-year economic, social, and spatial development plan for 1988 to 1991. Since no less than 2 years are required for this Planning Ministry initiative—as well as to apply the recent economic measures—these things could make the political transition drag on too long. Therefore, Conacom can understand the concern of compatriots who are seeing the end of this transition—a transition which has already lasted too long—receding, sine die, into the distance.

It is true that the state continues to exist; however, this government is only provisional, says Conacom. Thus, Conacom cannot conceive of the government's envisioning making mid-term plans, especially since it has already, during its 1st year, acquired a reputation for having an ill-defined, improvised, and imprecise economic policy. During this period of crisis, in agrarian and free zone matters, the government shouldn't do anything more than prepare dossiers to be turned over to the future definitive government.

[Announcer Nancy Roc] Thirdly, Clarens, Conacom points out that after all the negative experiences Haiti has had since the end of the 19th century, due to its having hastily signed contracts with unscrupulous foreign businessmen, the government should beware of continuing in the direction it has taken. The nation has a right to clear explanations regarding the Monte Christi Corporation.

How good is this company, actually? Where has it already operated? How credible are its leaders? Furthermore, who are these Haitians who have hastened to commit capital to the Hong Kong Caribbean [name as heard]? Are they patriots well-known for their sobriety and honesty or are we in the presence of shady financiers, former servants or allies of the Duvalier-Bennett regime?

In any case, Conacom notes that under the terms of the contract between the Haitian Government and the Monte Christi Corporation, these, quote, compatriots, end quote, are already setting out along the dangerous path of violating Haitian law by organizing special treatment for corporations.

Indeed, Article 46 of the decree of 23 August 1960, Title 3, stipulates, and I quote: Companies wishing to benefit from the dispositions of this Title 3 must engage in production in the spheres of agriculture, industry, or transport and be public (?companies), end quote.

The following will be recognized as being public (?companies): companies with at least 10 shareholders and with at least 40 percent of the shares offered to the public. The public is here synonymous with the government.

Now, in the contract in question, instead of 40 percent, the Haitian Government will only have a right to [words indistinct] 30 percent of the social capital and the (?assets) of the Hong Kong Caribe Haiti Title 3 [as heard]. It is interesting to note that in this matter, the Avril government remains (?well within) one of the laws of the Duvalier regime, a regime decried by the Haitian people.

Lastly, Conacom wishes to point out that it shares the concern of all who would like to see the peasants' need for land satisfied. Furthermore, Conacom is quite responsible enough to understand the concern over bringing foreign currency into the country by diversifying exports and encouraging tourism. Nevertheless, all these economic actions should be part of an integrated economic development plan, and the (?conditions for) the success of such a policy are linked to the existence of a democratic regime based on national and popular participation. These conditions are not fulfilled by the current provisional government.

Peasants Want Conacom To Become Political Party

FL0308150689 Port-au-Prince Radio Nationale in Creole 1300 GMT 2 Aug 89

[Excerpts] A peasant delegation from southeastern Haiti held a congress in Jacmel last July. In their final resolutions, these peasants asked Conacom [National Committee of the Congress of Democratic Movements] to become a political party that would really be a mass party, with all kinds of people in it who could help the Haitian masses in their struggle for true salvation, change, and progress in Haiti.

For this reason, we contacted Conacom officials to find out if Conacom is going to agree to turn itself into a political party. We talked with lawyer Victor Benoit on this matter. Benoit is this democratic organization's secretary general. We will have you listen to a report by Michel Lubin on the meeting he had with Benoit.

[Lubin] [Passage omitted] Mr Benoit informed us that Conacom held a number of congresses some time ago to give new impetus to political discussion in Haiti, because there is a dearth of this. He also said that Conacom has plans to hold congresses with certain organizations and people affiliated with Conacom. Thus, they established themselves in the southeast, from Cotes de Fer to Anse-a-Pitre, to hold their first congress in southeastern Haiti. [passage omitted]

In reference to the press release [that asked Conacom to become a political party], Mr Benoit said that Conacom received the request favorably, especially since it corresponds with the views shared by many of the members of Conacom's national secretariat. [passage omitted]

[Begin Benoit recording] Ever since our last assembly of delegates was held in May 1988, there has been real pressure from the grass roots, which say it's time that we became a political party. As you know, when Conacom was created, we were a number of pressure groups. That's how we were born. Let me just take this opportunity to explain the difference between a pressure group and a political party.

A pressure group is a group of citizens, regardless of how many they are, that observes what is going on in the society. They might say they are not in favor of something, and protest the actions of government agencies or even private institutions or say that one thing or another is not good. However, the goal of a pressure group is not to come to power. A pressure group does not exist to participate in making changes to society; it exists to say that one thing or another is not good—although of course to a certain extent this leads to changes in society, right? However, it's objective is not to take political power as such, but to apply a societal program.

On the other hand, a political party is a permanent institution the objective of which is to one day come to power to apply a societal program in keeping with the options chosen by the members of the party.

When we formed Conacom, since we were born of more than 300 organizations—peasants organizations, unions, human rights groups, democratic organizations, women's groups, etc—you could say that Conacom was a collection of pressure groups. We had gotten together to give the struggle for democracy in Haiti a big boost.

However, shortly after it was formed, Conacom also did certain things that political parties do. For example, everyone knows that in the 29 November elections, the aborted elections, Conacom was endorsing several candidates. Conacom itself had a number of candidates running for senator, deputy, member of the Casec [Administrative Council for the Communal Section], and municipal office. [passage omitted]

There are several factors involved, but the principal factor that explains our slowness in applying the idea of becoming a party is repression, the climate of repression and insecurity prevailing in Haiti. For example, as people will remember, since the end of Manigat's rule in May, within the framework of the terrorist pressure applied against the Manigat government, a number of forces have been creating a climate of insecurity. [end recording]

People's National Assembly Member Arrested
FL0308152889 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 2 Aug 89

[Excerpts] People's National Assembly [APN] member Jean Robert Lalanne, was arrested yesterday morning in Cap-Haitien while attending the trial of Patrick Casimir, who was arrested by the Cap-Haitien police last week just as a demonstration was about to begin in Cap-Haitien. Francois Pierre-Louis, who is an APN official, will explain this arrest to us further.

[Begin Pierre-Louis recording] We just got a call from Cap-Haitien informing us that the Cap-Haitien police have arrested Jean Robert Lalanne, who is a member of the APN's national leadership. He was at the civil court of Cap-Haitien on Rue 20 to attend the trial of Patrick Casimir. Casimir was supposed to have been taken to court today. Lalanne and APN and Casimir sympathizers were in the area.

While Lalanne was at the court, the police came and encircled the entire area. The military not only surrounded the area but they panicked the people so they would run off, scatter, disperse; and they arrested Lalanne—without a warrant and on no specific charge or anything—and took him to the police station.

Now we don't know what is going to happen, because when they arrested Casimir—without a warrant and on no charge—they beat him a lot in jail. Now they have arrested Jean Robert the same way. Thus, we of the APN are alerting the entire population of Haiti to say that this business of intimidating and arbitrarily arresting people in order to stop the Haitian people from defending their rights has got to stop. [passage omitted]

I think they are trying to silence not only the press but also all the popular organizations. We have noticed that for a long time now, the Avril government—ever since it came to power—has been intimidating all the popular organizations. [passage omitted] This is an attempt by the government to intimidate the members of APN and to make people afraid to participate in organizations to defend their rights. [passage omitted]

We have alerted all the press and international human rights organizations such as Amnesty International and Americas Watch, as well as other human rights groups in Haiti. We did this to find lawyers to defend the two men and also to get them released quickly because the police, Army, and government cannot charge them with anything because they have committed no crime. [end recording]

We learned from Cap-Haitien yesterday that Patrick Casimir had been released temporarily by the court. [passage omitted]

Beaten in Jail, Released
FL0308185289 Port-au-Prince Radio Metropole in French 1045 GMT 3 Aug 89

[Excerpts] [Passage omitted] Jean Robert Lalanne, a People's National Assembly leader [APN], was released yesterday in Cap-Haitien after having spent approximately 24 hours in the hands of Cap-Haitien's military authorities. Lalanne was mistreated by the Cap-Haitien policemen and is currently at Hospital Justinien, where he is being treated. Mr Lalanne was arrested Tuesday for no apparent reason in front of the building housing the civil court in Cap-Haitien, where one of his APN companions, Patrick Casimir, had just been released.

The APN's high command declares itself scandalized by this unscrupulous action on the part of the Army. Francois Pierre-Louis of the APN says the old Duvalierist practices seem to be returning.

[Begin recording, in Creole] [Pierre-Louis] Lalanne was unable to go home because he had been so badly beaten that he was limping. We had to hospitalize him at Hospital Justinien, where he presently is, with an I.V. in his arm. He was so badly beaten that his entire body is swollen. He is all swollen around the behind, too. They really beat him badly. They have been beating him since yesterday at the police station in Cap-Haitien.

[Unidentified reporter] How does the APN interpret such a situation?

[Pierre-Louis] Well, I think we are returning to a macoute period, a Duvalierist period, like when Roger Lafontant was here, when they used to take everyone who didn't like the Duvalier government and throw them in jail and beat them. This is the kind of thing Duvalier and all the other macoutes were in the habit of doing. The minute anybody didn't support their government, they would throw the person in jail and beat him.

We inform you that it is not just Lalanne that they beat. The Cap-Haitien police beat Patrick Casimir too, while he was in prison.

Thus, I think it is the current tactic. The minute they arrest someone now, they beat him, violate his human rights, and torture him in prison. We are going back to the same conditions people died to put an end to on 7 February 1986. [passage omitted]

We of the APN are consulting with lawyers to see what kind of action we can take. We are going to try to haul the government into court, to take legal action against it, because to arrest someone like this, without a warrant, and make no charge against the person—to just take the person, stick him in the police station, beat him thoroughly, and then release him—constitutes a violation of human rights. [passage omitted] [end recording]

We point out that according to our correspondent in Cap-Haitien, the general strike that had been called for by the popular organizations in Cap-Haitien to demand the release of Jean Robert Lalanne, a strike that had been scheduled for yesterday morning, was not respected. [passage omitted]

MOP Faction Opens New Office in Belair

FL0308140389 Port-au-Prince Radio Nationale in Creole 1300 GMT 2 Aug 89

[Text] The provisional committee of the Haitian Democratic Party, Movement for the Organization of the Country, MOP, yesterday morning inaugurated a new political office in Belair, on Rue des Pucelles. Marc Guillaume, technical advisor and person in charge of public relations for the MOP, said the inauguration of this office will provide all MOP members with a place to meet to discuss everything that can contribute to the blooming of the party.

Also, the MOP's new president, Mr (Feder Guillaume), thinks that with the help of all the old MOP members, the dream of the sorely missed party founder, Professor Daniel Fignole, can be turned into a reality. He also stressed that there are not two political organizations called MOP in Haiti, because agronomist Gerard Philippe Auguste was fired from his position as MOP president. Guillaume explained that Mr Auguste may keep his status as MOP member, but not as MOP president.

Also, MOP president (Guillaume) announced that the MOP will participate at all levels in the coming elections, as long as these elections are unfettered, honest, and democratic.

We remind listeners that there are two MOPs in Haiti: one led by Mr (Feder Guillaume) and another still lead by Gerard Philippe Auguste. We have two MOPs here in Haiti.

Labadie Youths Released From Prison Unharmed

FL0308191189 Port-au-Prince Radio Metropole in French 1045 GMT 3 Aug 89

[Excerpts] Five members of the MJL, Labadie Youth Movement, were released yesterday after being detained for 21 days in Petite Riviere de l'Artibonite. The five MJL members had been arrested for reasons as yet unexplained.

The release of these Labadie youths was made possible mostly through the efforts of the Haitian lawyers committee headed by attorney Moyse Senatus, an association created recently in Port-au-Prince to provide legal aid to the poor.

The five from Labadie were not abused in prison, but Moyse Senatus said their heads had been shaved. The Haitian laywers committee condemns these repeated violations of human rights in Haiti, and feels that the Avril government does not keep its word. Moyse Senatus says an end must be put to this situation.

[Begin Senatus recording, in Creole] We never miss an opportunity to say that we simply cannot go back to such a situation of barbarity, of savagery—not if the different political groups really want a new era in this country. Every time the head of this provisional government speaks, he says he wants development and progress, which we think depends upon actual fact and in practices. There can be no development with a situation of barbarity, arrests without warrants, physical repression, and so forth. Such things constitute a page that Haiti must turn. [passage omitted] [end recording]

We remind listeners that the president of the Haitian Human Rights League, attorney Joseph Maxi, declared last 17 July: We are facing a bandit government and a murderous public order.

The league, which had back then made a critical diagnosis of the human rights situation in Haiti, had called on General Prosper Avril's military government to shoulder its responsibilities.

Insecurity Increases in Lower Artibonite Valley

FL0308210189 Port-au-Prince Radio Nationale in Creole 1300 GMT 3 Aug 89

[Report from Rodrigue Sejour, correspondent for the lower Artibonite Valley]

[Excerpts] Insecurity is getting worse in the lower Artibonite Valley. On the night of Tuesday, 1 August, armed individuals broke into the home of an important merchant and planter, Mr (Meronvil Estime), in Villard, second rural section of Marchand Dessalines. [passage omitted] The robbers stole thousands and thousands of dollars. They shot Mr (Estime) in the chest, wounding

him so seriously that he had to be taken urgently to the hospital in Diquini, in the Carrefour section of Port-au-Prince. They busted his wife's head and fled with their booty.

The day before, a team of robbers broke into (Sylveus Express Photo), which is also a money exchange office, in Saint-Marc. They cleaned out the studio. [passage omitted]

These two incidents have made the residents of the lower Artibonite Valley extremely uneasy. [passage omitted]

Travel Fraud Discovered in Cap-Haitien
FL0408134089 Port-au-Prince Radio Metropole in French 1045 GMT 3 Aug 89

[Text] The Directorate of Information of the Ministry of Information and Coordination announces that the heads of a network for fradulent emigration activities out of the Cap-Haitien airport have been identified by the specialized services of the Ministry of Interior and National Defense. The investigation conducted by these services led to Jean-Marie Jean-Baptiste, owner of (Nick Express Travel Agency), and Maurice Lindor, an inspector assigned to the Immigration-Emigration Service in Cap-Haitien.

In order to counter the dishonest actions of these organizers of clandestine voyages and the irregularities stemming from these trips, the Ministry of Interior and National Defense purely and simply fired inspector Maurice Lindor and revoked Jean-Baptiste's license to work as a travel agent.

Jamaica

Government To Renegotiate Nigerian Oil Agreement
FL0408015089 Bridgetown CANA in English 1559 GMT 3 Aug 89

[Text] Kingston, Jamaica, Aug 3, CANA—The Jamaican Government will renegotiate the terms of a 1978 oil agreement with the Nigerian government under which Jamaica buys oils at a discounted rate, says chairman of the state-owned Petroleum Corporation of Jamaica [PCJ] Eli Matalon.

Speaking on a radio call-in show, Matalon said initial discussions have begun with the Nigerian delegation currently on a four day official visit to the island. The delegation is headed by the number two man in the Nigerian Government, chief of general staff Vice-admiral Augustus Aikhomu. He said a Jamaican delegation headed by Minister of Mining and Energy Hugh Small will visit Nigeria in the near future to conclude the negotiations.

In 1978 Jamaica signed an agreement withe Nigeria's national petroleum corporation under which the island purchased 15,000 barrels of Nigerian crude oil at an initial discount of U.S.4 dollars per barrel on a 90 day credit. The oil was then resold to interested parties which would permit Jamaica to realise trading profits.

Recently, concerns have been expressed here that crude oil purchased under the Nigerian agreement was being sold to the South African Government. Responding to the charges, Matalon said that Jamaica had no way of monitoring what happens to the oil once it is sold. The government, he said, had no documentary evidence which shows that oil shipments sold by Jamaica had gone to South Africa.

The Nigerian high commission in responding to the allegations that Nigerian crude sold to Jamaica was finding its way to South Africa, said it had contacted the appropriate authorities here and were assured that the allegation was without foundation.

Nigeria, the high commission said, makes it clear to its oil customers that under no circumstances should its oil be sold directly or indirectly to South Africa. It said that appropriate penalties would be imposed on any customer found to be engaging in such an act "either by omission or commission. The Nigerian Government has no way of monitoring what happens to its oil once it is sold to customers. We only believe and trust that our customers would respect our sensibility. We have no reason yet to suspect that the Jamaican Government, past or present, has betrayed our trust," the high commission said in a letter to THE GLEANER.

Accusations that the Nigerian oil was being sold to South Africa arose because of the way Jamaica disposes of the oil bought from Nigeria.

Jamaica through the PCJ earned an annual trading profit of U.S.65 million dollars since 1981 which according to Lambie, was only 5 percent of what it could have earned. The PCJ chairman admitted the PCJ was "not doing well on the oil trading deals." The company, he said was not making the level of profits which is used to in the early years. In the early years, the oil was resold to Shell Oil Curacao which at that time had ready markets for Nigeria's low sulfur fuel. Jamaica, was then able to purchase its own needs from international companies, including Shell.

In 1984, the marketing agreement with Shell fell through reportedly because of price conflicts. Three years earlier, Vitol, a Dutch company began buying Nigerian crude from Jamaica. A recent article in THE FINANCIAL GLEANER alleged that Vital fronts for the South African Government and is one of the prime second-market purchasers of Nigerian crude.

The article stated that since 1984, Vital has been the exclusive reseller of Jamaica's 15,000 barrels per day quota from Nigeria.

South Africa's refineries use only the "bonnie-type" crude and this grade is available only from Nigeria or the more costly and distant North Sea oilfields. The agreement with Vitol to left the Nigerian oil ended in 1988 and another company H. Oil contracted.

Questions about the financial arrangements with H. Oil were raised recently by Jamaica's Mining Minister Hugh Small. He questioned the agreement which H. Oil had with PCJ and the payment of some 708,000 U.S. dollars to H. Oil from an off-shore bank account.

Official Comments on Drug Use in Country

FL0308134289 Bonaire Trans World Radio in English 1130 GMT 3 Aug 89

[Text] In Jamaica, an official says that cocaine use has spread to primary schools and even to relatives of government officials. He also told Jamaica's Parliament that there are currently more than 100 crack cocaine houses operating in the country. Drug addicts have shifted from marijuana to cocaine and then to crack because the cocaine derivative is cheap and easily available.

Trinidad and Tobago

Venezuela's Carlos Andres Perez on 'State Visit'

FL0308142989 Bridgetown CANA in English 1417 GMT 3 Aug 89

[Text] Port-of-Spain, Trinidad, Aug 3, CANA—Venezuelan President Carlos Andres Perez arrived here on Thursday [3 August] at the start of a four-day state visit which includes weekend talks with five Caribbean Community leaders.

Perez, whose plane landed 20 minutes behind schedule, was met at Piarco Airport by Acting President Michael Williams, Prime Minister A.N.R. Robinson, and high government officials.

After a brief welcome ceremony during which he took the salute and inspected a guard of honour, the Venezuelan head was whisked along the red-carpeted tarmac to a waiting car. Before leaving, Perez waved to the packed public gallery.

The Venezuelan leader is scheduled to lay a wreath at the Cenotaph at Memorial Park, Port-of-Spain, at 10:05 a.m. before holding his first scheduled talks with Robinson. Robinson and his cabinet will later host a luncheon for Perez whose other engagements on Thursday include meeting with Venezuelan Embassy staff and local businessmen and a state banquet hosted by Williams.

On Friday, a series of bilateral agreements dealing with marine, airline, and fishing are due to be signed.

On Saturday and Sunday, Perez travels to Tobago where he will hold talks with Robinson, Prime Minister Michael Manley of Jamaica, Barbados leader Erskine Sandiford, St Vincent Prime Minister James Mitchell, and President Desmond Hoyte of Guyana.

Asks for Caricom Observer Status

FL0408023789 Bridgetown CANA in English 2242 GMT 3 Aug 89

[By Debra Ransome]

[Text] Port-of-Spain, Trinidad, Aug 3, CANA—Venezuelan President Carlos Andres Perez on Thursday called for his country to be given observer status with the 13-nation Caribbean Community [Caricom] and suggested establishment of an institute to allow cultural exchanges between Venezuela.

Addressing the Trinidad and Tobago cabinet on the first day of a four-day state visit, Perez asked Trinidad and Tobago Prime Minister A.N.R. Robinson to intercede with the English-speaking grouping to help Venezuela.

In his speech to the cabinet, Perez put the emphasis on co-operation between Venezuela and Caricom to assert greater economic pressure on changing the world economic order. "In the face of protectionism, the developing countries must develop our solidarity," Perez said. "Integration and economic cooperation became precious tools. We must consolidate south-south cooperation and further the links between us." Perez added: "We possess formidable economic resources and irreplaceable geographical advantages. There is much we can do if we use or imagination."

Prime Minister Robinson also stressed his joint belief in south-south cooperation to further the lot of the so-called developing world. "Venezuela, as you yourself have often stated, has a Caribbean as well as a Latin American destiny," Robinson said. "Your liberator, Simon Bolivar, that titanic figure in the history of the Western hemisphere, was a Caribbean man, who, during his struggles, sought and found succour in Caribbean countries as indeed did many of the protagonists of your revolutionary period," Robinson said.

"Your nation, Mr President, has a logical role to play in Caribbean affairs in close partnership with other countries of the Caribbean—a partnership in which, while maintaining our independence and our respect for each others sovereignty, we recognize the reality of increasing cooperation among nations and the emergence of regional groupings," Robinson said, also pointing the the 1992 planned economic unification of Europe.

Both Perez and Robinson referred to the international debt crisis which Robinson called a "truly Sisyphean burden for which we urgently need innovative and

decisive measures of relief." "As long as this net transfer of resources continues from south to north, it will be impossible to achieve satisfactorily degrees of welfare and growth," Perez said.

On the wider issue of changing the trade and economic relations between north and south, Perez knocked the way current General Agreement on Trade and Tariff (GATT) talks were going:

"If the apparent trend of the Uruguay round were to continue, it would affect the world's credibility regarding a proper juridical regulation of trade with consequences undesireable for all parties involved," Perez said.

Perez said a line of credit between Venezuela's export agency, Finexpo and Trinidad and Tobago's central bank was to go into operation Thursday. Also, an oil spill agreement on cooperation in the event of a spill, is to be signed Friday before Perez leaves for talks in Tobago with five Caricom leaders.

On non-economic issues, Perez called for regional cooperation to help the troubled Caribbean state of Haiti which he described as leading its struggle almost alone. The Venezuelan leader also lauded the role of the Organisation of American States (OAS) in helping to put Panama back on the road to general elections.

On a cultural level, Perez proposed the establishment of an institute of Caribbean literature to create what he called a nucleus for cultural links and exchanges.

"We live in times of crisis and problems that call for a change in the attitude of the international community at seeking solutions, based not only on the specific interests of the countries or regions involved, but also on an exercise of a solidarity as global as are the challenges facing us," Perez said.

Perez met with local business after the luncheon. He is to be decorated by Acting President Michael Williams at a state banquet on Thursday night.

On Friday, he tours southern state oil company, Trintoc, before signing bilateral agreements. On Saturday and Sunday, he meets with Prime Ministers Michael Manley of Jamaica, Ersking Sandiford of Barbados, James Mitchell of St Vincent, Robinson, and President Desmond Hoyte of Guyana.

Opposition Wants Robinson To Answer Questions

FL0308150589 Bridgetown CANA in English 2241 GMT 2 Aug 89

[Text] Port-of-Spain, Trinidad, Aug 2, CANA—The opposition People's National Movement (PNM) in Trinidad and Tobago has called on Prime Minister A.N.R. Robinson to do the "honourable thing" and choose a forum in which to answer questions about a controversial letter. Robinson had read the letter in Parliament, implicating members of the former PNM administration in drug use and dealing.

Opposition leader Patrick Manning on Wednesday [2 August] sent two letters to Robinson on the question of the letter which he had been asked to produce in Parliament but which he said he could not find. Manning also suggested that the credibility of the prime minister was at stake as well as his commitment to the "parliamentary system of democracy" which he was pledged to hold.

Robinson had said he received the letter from Police Commissioner Jim Rodriguez when Rodriguez acted as secretary to a drug enquiry commission. Rodriguez was said to have named five former ministers of the PNM administration as having been identified by witnesses for having been involved in drug use and dealing.

"Honourable Prime Minister, I wish to impress upon you that your credibility is now at stake and this would have implications for important negotiations in which the government is engaged and the outcome of these discussions," Manning wrote.

"In addition to the myriad problems experienced by Third World countries and the difficult situations facing Trinidad and Tobago, to add the prime minister's credibility to it would indeed place our citizens at a great disadvantage, something which I am sure you would seek to avoid at all cost," he added.

President Meets With Cardenist Party Members

PA0208204089 Mexico City XHTV Television in Spanish 0200 GMT 2 Aug 89

[Text] President Carlos Salinas de Gortari will keep open a channel of dialogue and negotiation with the Cardenist Front for National Reconstruction Party [PFCRN] to solve the agrarian problems of its members. This was reported by PFCRN spokesman Jorge Amador Amador after the president met in his office with representatives of the PFCRN national march who had gathered at Constitution Square. During the meeting, which was also attended by Government Secretary Fernando Gutierrez Barrios, the president promised that he will hold a continuous dialogue to prevent the agrarian problems of the PFCRN members from building up. The president said 94 agrarian problems that were reported by the party to the Agrarian Reform Secretariat have been solved.

Jorge Amador Amador said the president's response opens a new relationship between his party and the president.

[Begin Amador recording, in progress] ...the main one deals with the establishment of a direct, continuous dialogue between the president and the Cardenist peasant federation in order to find timely solutions to peasant problems, solutions that will be within the law and in line with the country's interests. [end recording]

President Salinas de Gortari promised to review the files of 1,000 PFCRN peasants who are in jail because they defended their agrarian rights, to continue the audits in La Laguna to punish those responsible for the irregularities committed by federal authorities there, and to provide credits to PFCRN members. In response to the president's promises, the PFCRN canceled its march from the city's main square and asked its members to return home.

Antidrug Chief Charged With Cocaine Running

PA0208161889 Madrid EFE in Spanish 0520 GMT 2 Aug 89

[Text] Mexico City, 1 Aug (EFE)—It was reported today that three Mexican policemen, including the chief of the Federal Judicial Police's Antinarcotics Section, were arrested along with six other people and charged with belonging to an international cocaine trafficking gang.

The three policemen are Luis Gabriel Ramirez Barba, chief of the Federal Judicial Police's Antinarcotics Section, and Rogelio Jauregui Govea and Doroteo Luis Romero Moreno, who are assigned to the Mexican Attorney General's Office.

The Attorney General's Office reported that Colombian citizen Roque Julio Briseno and Mexican citizens Julio Acosta Saucedo, Leonel Payan Rodriguez, Ramon Flores de la Cruz, Eduardo Herrera Montes, and Alfredo Guerrero de Luna were also arrested.

The Attorney General's Office said four other people are involved in the cocaine ring but have not been arrested yet. They are Mario Diaz—a Colombian also known as El Moy who is suspected of fleeing to Colombia—Genaro Payan Rodriguez, Emilio Quintero Payan, and Carlos Castillo Gamboa, who works for the Attorney General's Office.

Group Proposes Building Interoceanic Canal

PA0208231789 Mexico City EXCELSIOR in Spanish 30 Jul 89 p 5-A

[Report by Ignacio Herrera]

[Text] Alfredo Cabrera Toledo, director of the Navigation and Maritime Trade [Navegacion y Comercio Maritimo] organization, belonging to the Mexican Maritime Confederation [Confederacion Maritima Mexicana (CMM)], has said that the CMM has proposed reactivating a project to build an interoceanic canal on the Tehuantepec Isthmus. The CMM feels that thanks to the favorable conditions that prevail in the country, following the renegotiation of the foreign debt, it will be possible to have the resources to promote growth.

Cabrera Toledo said that through the construction and running of that interoceanic passageway, the country can strengthen its economy and play a key role in the area's development.

El Salvador

Bishop Rosa Chavez Comments on Brother's Arrest

PA0308230389 San Salvador EL MUNDO in Spanish 31 Jul 89 p 6

[Text] "I do not want to interfere at all. The judge will pronounce the verdict; meanwhile, I will wait and keep silent," Msgr Gregorio Rosa Chavez, auxiliary bishop of San Salvador, said yesterday regarding his brother shortly after ending Sunday's [30 July] homily at the cathedral.

The prelate was referring to the arrest of Salomon Enrique Rosa Chavez, who was turned over to the First Criminal Court by the National Police and accused of belonging to the People's Revolutionary Army (ERP). The First Criminal Court judge ordered his temporary arrest following a 72-hour period, as established by law for crimes of bearing counterfeit documents and for bribery; these crimes do not require a prison sentence.

The auxiliary bishop said: "I have remained silent out of respect for the legal process, which is still under way. My brother is still in prison, and that is why I prefer to wait for the process to end," he said. The prisoner was not released on Saturday, but he will be relased on Monday, 7 August.

Asked by reporters if the charges made against his brother would hurt his (Msgr Rosa Chavez's) image or that of the church, he said that the church's duty to the country is difficult to fulfill but that the church's efforts must continue, because the huge number of parishioners who come to the cathedral every Sunday to ease their pain cannot be abandoned.

"A shepherd should never leave his flock, and, when there are problems, we will calmly deal with them, because that is part of our mission," he said.

The prelate expressed his concern over the number of controversies that arose during the week, such as the charges and the countercharges. He said that the most serious thing is the "case of Msgr Romero," whose memory continues to inspire many and is a nightmare for the masterminds and perpetrators of his abominable assassination.

These charges were made at the highest level by former President Duarte, current administration members, and well-known political figures. Rosa Chavez referred to the charges filed by Attorney General Dr Mauricio Ernesto Colorado, who last week asked the First Treasury Court judge to draw up an indictment against Jose Napoleon Duarte, members of his family, and a Christian Democratic Party leader.

The auxiliary bishop said: "I greatly regret the fact that this atmosphere is one of—I accuse you, you accuse me, and we accuse each other. That is no way to make progress, because people expect their leaders to be more responsible and serious. Otherwise, what will those of us who are underlings learn? That is why I have expressed the need for all of us to help clear the air so that we can achieve the peace for which we all yearn."

Msgr Rosa Chavez congratulated all journalists in his homily and said: "I remind all journalists—as Pope John Paul II once said—that news, if one thinks about it, is never impartial, because it at least intentionally and implicitly responds to important matters. Journalism provides an intimate link between the news, education, and essential values. Almost all men and women working for the press, radio, and television media must try to accomplish this task. However, each day they need courage and must have much love for this people, who have suffered greatly, so that they will remain loyal to the values of their profession. That is why our congratulation message becomes a prayer for the Lord to protect them and help them not to give in during difficult times."

Reportage on Government, Guerrilla Clashes

Coprefa Reports FMLN Actions

PA0308145789 San Salvador Canal Doce Television in Spanish 0300 GMT 3 Aug 89

[Report on interview with Armed Forces Press Committee (Coprefa) Director Major Mauricio Chavez Caceres by unidentified reporter on 2 August—place not given]

[Text] Coprefa Director Major Mauricio Chavez Caceres reported that Army and guerrilla forces suffered a total of 19 casualties during several FMLN [Farabundo Marti National Liberation Front] attacks on communities today [2 August].

[Begin Chavez recording] As we can see, these attacks have always been against civil defense units; and we know they [the FMLN] are not well trained. We have not seen any attacks against military garrisons or military units. [end recording]

The military spokesman said that today's FMLN actions—the rebels have called these attacks the Leon Two Offensive—are similar to FMLN actions carried out on 10 May. Major Mauricio Chavez Caceres reported that today's rebel attacks and ambushes resulted in at least 7 persons dead and 12 wounded, including soldiers, civil defense members, and civilians.

[Begin Chavez recording] The FMLN terrorists attacked the community [not further identified] at approximately 0430. The action resulted in one Civil Defense member killed ,one Engineering Corps member killed and another wounded. According to film clips, two rebels were killed. They wore uniforms, were about 14 or 15, and had [word indistinct], which were completely deformed. The local headquarters was destroyed.

The Ilobasco National Police were also harassed and a civilian was wounded. The FMLN also attacked San Jorge community; a soldier and an officer were wounded. They attacked the (Silalapo) Civil Defense post and, during this action, a customs police agent was killed and five others were wounded, including a terrorist. Also, the FMLN ambushed an Atlacatl Battalion unit, resulting in the deaths of two people and the wounding of two others.

This is the complete report we have at this time. I have not yet received the Command Staff's full report, and therefore I am unable to provide details of the other actions that have taken place. We expect that this FMLN offensive will be similar to that of 10 May. These terrorists want people to believe that this is a large offensive. That is why they use names such as Leon One, Leon Two, and other similar names. These offensives usually harm the civilian population. [end recording]

The Coprefa director said that the Armed Forces are conducting large military operations in northern Santa Ana, Morazan, and San Miguel Departments as well as in some Cabanas communities. These military operations and the continuation of [words indistinct] plan in San Salvador Department are to counter further FMLN actions expected in the next few days.

FMLN Propaganda, Sabotage Actions

PA0308231289 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 2300 GMT 1 Aug 89

[Text] An FMLN [Farabundo Marti National Liberation Front] unit from our Modesto Ramirez Central Front raided communities in the outskirts of San Francisco, Suchitoto jurisdiction, Cuscatlan Department from 0600 to 1500 on 1 August. Our men handed out propaganda material and also burned a warehouse to the ground containing 4,000 bales of sugarcane pulp. The warehouse was being guarded by 1st Infantry Brigade Libertad Battalion soldiers and by paramilitary units. These troops did not confront the Modesto Ramirez Front unit but proceeded to take refuge in the San Francisco Sugar Mill, thus demonstrating their low morale.

At the same time, our men carried out propaganda activities in the neighborhoods of San Lucas, (El Cibano), and La Asuncion. The FMLN reported that the enemy did not confront them in these communities and that they were able to enter and leave without any difficulties.

Another report from this central region indicates that [words indistinct] on 1 August, our men took control of a section of the (Deuna) road near the Milingo community, Suchitoto jurisdiction, Cabanas Department. Our men erected two barricades on that road and distributed propaganda in the Milingo, Estanzuelas, and Aguacayo communities. Our unit reported that they encountered no resistance while carrying out these activities. Our greetings to the comrades from the Modesto Ramirez Central Front, who have been active in this southern area.

National Rebel Maneuver Actions

PA0308155889

[Editorial Report] (Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 3 August broadcasts approximately 45 minutes of reports on clashes, attacks, and ambushes carried out by the Farabundo Marti National Liberation Front, FMLN, on 1 and 2 August as part of a national rebel maneuver called All Against the Fascist ARENA [Nationalist Republican Alliance] Government.

The first report regrets the "fall in combat of Comrades Tono and Manuel." The same report adds that FMLN units ambushed a military truck on the Coastal Highway near San Rafael Obrajuelo on 2 August. "Preliminary reports on this ambush indicate that we inflicted 47 casualties on enemy reinforcements" on 2 August.

A report from the Anastacio Aquino Paracentral Front states that FMLN units ambushed military vehicles on the road to San Pedro Nonualco on 2 August. The same report adds that FMLN units carried out an attack at the San Antonio Canton, San Pedro Nonualco, "inflicting approximately 32 casualties inside the town and 48 casualties during 4 different ambushes" conducted near San Pedro Nonualco. "In other words, we inflicted a total of 80 casualties and damaged one or two small planes in the maneuver carried out in San Pedro Nonualco."

The Modesto Ramirez Central Front reports that a rebel column entered San Ramon near San Salvador and attacked the Civil Defense headquarters, the San Ramon Army headquarters, and a National Guard post. In addition, the rebels clashed with Belloso Battalion troops and carried out various sabotage operations, including the destruction of various power towers, causing power outages in many San Salvador areas.

Another report states that FMLN units attacked a border post, seizing G-3 rifles and ammunition, inflicting eight Army casualties. The same report adds that FMLN guerrillas clashed with Cayahuanca Battalion troops in La Laguna, Chalatenango Department, inflicting one casualty. The report states that urban commandos ambushed an Army truck transporting 25 men near San Salvador at 0830 on 2 August, inflicting 15 Army casualties.

A report issued by the Anastacio Aquino Paracentral Front states that FMLN forces attacked National Guard and paramilitary positions at San Ildefonso and that 10 weapons, 8 carbines, and 2 M-14 rifles were seized.

The next report issued by the eastern Francisco Sanchez Front states that FMLN rebels clashed with an Arce Battalion company in San Gerardo Jurisdiction, San

Miguel Department, at 1430 on 1 August, inflicting 13 casualties and seizing one .50-caliber machinegun, 1 M-16 rifle, 3 grenades, 100 cartridge belts for .50-caliber machineguns, 500 cartridges for rifles, and other military equipment. The same report adds that FMLN guerrillas attacked Army positions in San Jorge, San Miguel Department, inflicting seven Army casualties—including one officer—and seizing one M-60 machinegun, one M-16 rifle, and two backpacks.

Another report indicates that FMLN units seized La Voz del Litoral radio station in Usulutan Department at 0930 GMT on 2 August. The occupation lasted 35 minutes, "and we broadcast a message urging the Usulutan population to get organized." The report adds that FMLN units later carried out an attack in Ciudad Barrios, inflicting seven casualties on the "enemy" troops and dislodging soldiers stationed at a farm.

In a report dated 2 August, the FMLN reports that guerrilla units clashed with 3d Infantry Brigade troops in Carolina Municipality and with Lempa Battalion troops on the Coastal Highway, inflicting four casualties.

A report issued by the western Feliciano Ama Front indicates that FMLN rebels attacked Metapan Civil Defense units and 2d Infantry Brigade troops at 0650 on 2 August, inflicting eight casualties. "It was also reported that our units attacked in the outskirts of Sensuntepeque." Chalatenango Department's FMLN Joint Command reports that "we began a series of attacks on various positions in Chalatenango Department on 2 August," including an attack on National Police members on the bridge over the Lempa River leading to Citala. "As a result of this attack, we inflicted six casualties at El Poy post and eight casualties on the checkpoints on the bridge leading to Citala." In addition, the FMLN reports seizing five rifles, five cartridge belts for M-60 machineguns, and other military equipment.

The report adds that FMLN units began attacks against Cayahuanca Battalion troops at La Laguna at 0630 on 2 August, inflicting six casualties with snipers. The report adds that FMLN units blocked a section of the Northern Trunk Highway near El Manguito Canton and occupied various places, including Comalapa, Cerro Grande, Ojo de Agua, Dulce Nombre de Maria, and Nombre de Jesus.

The next report states that FMLN units ambushed 5th Infantry Brigade troops along the Pan-American Highway in Apastepeque Jurisdiction at 1315 on 2 August, inflicting six Army casualties. The final report reveals that FMLN urban commandos inflicted 14 casualties during its attacks in San Ramon, near San Salvador, which began on the night of 1 August.

Guatemala

Students Occupy San Carlos University Office

PA0308225489 Paris AFP in Spanish 0348 GMT 3 Aug 89

[Text] Guatemala City, 2 Aug (AFP)—A group of students occupied the rector's office and several San Carlos State University (USAC) classrooms, holding the rector and other top university officials hostage.

"We—the members of the Higher University Council and other university officials and employees—are being held hostage. They are preventing us from leaving," USAC Rector Roderico Segura told a local radio station tonight.

He added that after waiting for several hours, student leaders presented him with a list of over 80 demands, ranging from supporting the teachers strike—which has lasted for almost 2 months—to repairing several toilets.

The incident took place shortly after noon, just when the Higher University Council members were holding a regular session. Segura did not report the number of people who were taken hostage, but he said that they would all remain at the USAC campus overnight until the demands are met.

Official Announces Oil Production To Increase

PA0308230989 Guatemala City PRENSA LIBRE in Spanish 30 Jul 89 p 13

[Summary] Luis Alberto Paz, general director of the Energy and Mines Ministry's Hydrocarbons Office, has reported that national oil production is expected to increase 40 percent beginning in July 1989, because the Tierra Blanca oil field has been declared commercial. He added that the oil-drilling company has been authorized to produce 1,000 barrels per day. Paz also said that the oil has a quality of 22 degrees on the API [American Petroleum Institute] scale.

Honduras

Azcona Gives Viewpoint on Latin America Crisis

PA0408041489 Tegucigalpa Domestic Service in Spanish 0205 GMT 4 Aug 89

[Speech by President Jose Simon Azcona Hoyo; date and place not given—recorded]

[Text] The Honduran viewpoint on the regional crisis—antecedents:

Since late in this decade, domestic conflicts in several Central American countries have overflowed their borders and created a lengthy regional crisis of tremendous repercussions. Since the beginning, the Honduran Government has favored a negotiated solution to the crisis.

In March 1982, the Honduran Government proposed to the OAS Permancnt Council a plan to internationalize peace. The ideas of this plan were adopted by the Contadora Group when it started its mediation role in 1986, as revealed by the document and witnesses. This document was the only one drafted during the negotiations, which yielded no appreciable results for well-known reasons.

The Honduran Government actively participated in the preparatory meetings prior to the Esquipulas II summit, making reasonable proposals concerning the schedule for compliance with commitments. The Honduran Government also helped revitalize the Contadora Group to conclude negotiations on national security matters. Many of the Honduran contributions were incorporated into the procedure to establish a firm, lasting peace in Central America, which the presidents of the area countries adopted in August 1987.

The Guatemala procedure is the result of the Central American governments' decision to fully meet the historic challenge to forge a peaceful destiny for Central America, eradicate war, and make dialogue prevail above violence and reason above resentment. The Central American governments made several commitments related to the following:

1. National reconciliation;

2. Cease-fire;

3. Democratization;

4. Free elections;

5. Cessation of aid for unconventional forces and insurrectional movements;

6. Nonuse of territory to attack other states;

7. Negotiations on security and arms control, limitation, and verification;

8. Refugees and displaced persons;

9. Cooperation, democracy, and liberty for peace and development; 10. International verification and follow-up.

At the summit held in Alajuela, Costa Rica, on 16 January 1988, we, the presidents, acknowledged that the commitments here referred to had not been complied with. Consequently, we promised to comply with them all, unconditionally, unilaterally, and immediately. On 14 February 1989, 1 year after the summit, we, the presidents, again met in Costa Del Sol, El Salvador, where we made important decisions to effectively implement the regional process. These decisions were related to the following:

1. Democratization and national reconciliation in Nicaragua;

2. A joint plan for the demobilization of the Nicaraguan Resistance members and their relatives, and their voluntary repatriation to or resettlement in Nicaragua;

3. Mechanisms for the verification of commitments related to security;

4. Directly negotiated solutions to overcome disagreements caused by the Central American crisis.

Mechanisms and instances of the peace process:

The Guatemala procedures include a series of mechanisms and institutional instances for the implementation and verification of the agreements. According to the agreed upon mechanisms, the political obligations would be supervised by the National Reconciliation Commission established in each country and the security obligations would be supervised by an international commission, a duty which was later given to the Executive Commission. In accordance with a proposal presented by Honduras that called for the search for an international peace agreement, the commission approached the United Nations to discuss the verification mechanism. It was also established that the presidential summits would be the supreme instance of the regional peace efforts. In addition to the support received from the OAS and the UN, there are also yearly meetings at the ministerial level between representatives of the Central American governments and the EEC. At these meetings, the political dialogue, cooperation for development, and strengthening of peace in Central America are discussed. The aforementioned shows the decisive support the international community gives the efforts that the Central Americans have undertaken in an attempt to achieve peace and the development of our people.

Perspectives of the process:

The Guatemalan procedures and the Alajuela and Costa del Sol declarations are in total harmony and are indivisible; their total implementation depends solely on the good faith of the parties involved. There is overwhelming proof of Honduras' invariably peaceful nature; this has been proven throughout the past 10 years of Central American crisis. In addition to our initial proposal to internationalize peace, the Honduran Government has continued to offer realistic alternatives to achieve the efficiency of the process. In November 1987, within the framework of the OAS General Assembly, Honduras suggested the creation of an international security commission. This proposal was presented again at the UN General Assembly in October 1988. At that time my government's proposal included four basic aspects.

1. The creation of an international peace force;

2. Parallel negotiations among as many parties as necessary to overcome the interference that maintains the Central American crisis unsolved;

3. Prevention of an additional flow of refugees and acceleration of their voluntary repatriation;

4. Withdrawal of all those obstacles that interfere with the process of regional normalization such as the charges Nicaragua brought against Honduras at the International Court of Justice.

Likewise, the Costa del Sol presidential declaration includes the initiative I presented on drafting a joint plan for the demobilization and voluntary repatriation or relocation in Nicaragua or third countries of the members of the Nicaraguan Resistance and their families.

In this attempt, Honduras has actively participated in drafting the joint plan and, together with other countries, has expressed the convenience and need for a dialogue between the Nicaraguan Government and the Nicaraguan Resistance that will enable the demobilization and repatriation process. In light of the aforementioned, my government feels that it is indispensable that the regional peace efforts have a happy ending and achieve:

1. Democratization in Nicaragua in accordance with the determination expressed by the Nicaraguan president during the Costa del Sol summit;

2. Efforts to remove from the Central American crisis expressions of a greater conflict;

3. Conclusion of the negotiations involving security and linked to the reduction, control, and restriction of weapons and troops; the withdrawal of advisers; and the balance of forces in the region;

4. The repatriation of the refugees and members of the unconventional forces and their families based on national reconciliation in their respective countries;

5. Promote Central America's economic development based on normal relations among states; economic development that will contribute toward promoting peace, mutual trust, and cooperation in all fields.

Final remarks:

In light of our people's outcry for a stable and lasting peace that will contribute toward promoting its development, Honduras hopes that the fifth summit since Esquipulas I will serve to reach agreements that will effectively contribute toward achieving the following:

1. Democratic strengthening and political pluralism in Nicaragua;

2. National reconciliation dialogue to end the internal armed struggle;

3. Integration and (?uniting action);

4. Demobilization, repatriation, or relocation in Nicaragua, or in third countries of members of the Nicaraguan Resistance, their families, and refugees;

5. OAS, UN, and EEC cooperation in the search for regional peace;

6. Financial cooperation for the implementation of plans as required.

In conclusion, as the supreme instance of this process, the presidents are committed, as was agreed in good faith during the Costa del Sol summit, to seek negotiated solutions to overcome differences between the states that are a result of the regional crisis.

Congress Receives Visiting USSR Delegation

Deputy Chairman Gives Speech

PA0308225789 Tegucigalpa Cadena Audio Video in Spanish 1200 GMT 3 Aug 89

[Report by Guillermo Castellanos Enamorado on speech by Aleksandr Mokanu, deputy chairman of the Presidium of the Supreme Soviet, at the Honduran National Congress in Tegucigalpa on 2 August]

[Text] The full Congress last night welcomed a visiting Soviet delegation. In his welcoming remarks, National Congress President Carlos Orbin Montoya stressed that our country is expanding its international relations. Here is an excerpt of a speech by the head of the Soviet delegation, Aleksandr Mokanu, in response to Mr Montoya's remarks:

[Begin Mokanu recording in Russian with passage-by-passage translation into Spanish] I cannot avoid the topic of the Central American conflict when discussing international problems. This conflict is certainly very important for you and, just as any other regional conflict, it concerns the entire international community. We believe that there will soon be positive changes in the region. However, it is not now possible to satisfy all sides of the conflict. Many unresolved issues in this region still hamper the normalization of the situation. [Words indistinct] the normalization of the situation and full compliance with the Central American presidents agreements.

However, it is also true that these problems can and must be solved based on mutually acceptable agreements, by taking into consideration the interests of all sides. We feel that much will depend on the high legislative branches and their deputies, whose social awareness, rich political experience, and ability to seek and reach reasonable compromises to solve many complex problems will help—and of this we are certain—to achieve major accomplishments and lead to praiseworthy contributions to the solution of regional problems.

As far as the situation in the USSR is concerned, we are prepared to continue actively to contribute to finding a solution to Central American problems. We also want to contribute to strengthening peace, good neighborly relations, and equitable cooperation with regional countries. The Soviet Union calls on all the states to support the Guatemala and El Salvador agreements through practical steps, because these agreements reflect the will of the Central American peoples. We are receptive to interaction, and we say this with great satisfaction. If you so

desire, we can reach an agreement on establishing a permanent political dialogue between our countries to strengthen our economic, commercial, and cultural ties. [end recording]

Mokanu said that the first Soviet Congress of the People's Deputies issued an appeal to the peoples of the world, which stated that we are open to the world and ready to cooperate with all those who regard life and human dignity as the highest values. This appeal reflects the principles of our new political thinking, which we are proposing to the world. This thinking is based on the precedence of universal human values, democratization, and the humanization of international relations. Also stressed was the need to solve emerging controversies and disputes solely through peaceful means, based on respect for the right of every nation to choose its own paths of development, because it is imperative to save our civilization from a nuclear or ecological catastrophe. This is our foreign policy strategy; this is the Soviet Union's open and frank policy and its concept of perestroyka from an international perspective. This is the Soviet people's opinion. We are prepared to hold dialogues and to cooperate with all social and political forces concerned with preserving peace and guaranteeing progress and prosperity for all mankind.

Soviets Urge Neighborly Relations

PA0408032789 Hamburg DPA in Spanish 2344 GMT 3 Aug 89

[Text] Tegucigalpa, 3 Aug (DPA)—A delegation of Soviet parliamentarians has asked the Central American nations to support the Guatemalan and Salvadoran agreements (that called for peace in the region), inasmuch as they reflect the will of the Central American people."

The request was made by Aleksandr Mokanu, deputy chairman of the Presidium of the Supreme Soviet, a member of the delegation of the Supreme Soviet that is visiting Honduras for the first time.

The delegation members of the Supreme Soviet arrived in the country last night and were received by their Honduran counterparts during a special session of Congress. Today, they are scheduled to meet with Honduran President Jose Azcona Hoyo.

The Soviet delegation is comprised of seven persons—four deputies of the Supreme Soviet, two officials of the Foreign Ministry, and a journalist who is accompanying the mission.

This is the first time that a USSR parliamentary mission has visited Honduras, a close military ally of the United States in Central America. It has been received by the top executive and legislative authorities of the country.

The Soviet mission will remain in Honduras through Sunday. It is a reciprocal visit for a Honduran deputies' mission that visited Moscow in August 1988.

During his speech before Congress, Mokanu said that his country is willing to contribute toward "improving the situation in Central America, strengthening peace, improving good neighbor relations, and establishing equitable cooperation among the countries of the region."

Honduras and the USSR do not have diplomatic relations. Until 10 years ago, Honduran passports specified a ban on traveling to Russia and other communist countries. However, the two countries signed a bilateral trade treaty in 1988.

Azcona on Soviet Speech, Summit

PA0408024589 Panama City ACAN in Spanish 2042 GMT 3 Aug 89

[Text] Tegucigalpa, 3 Aug (ACAN-EFE)—Honduran President Jose Azcona said today that Aleksandr Mokanu, deputy chairman of the Presidium of the Supreme Soviet, told him that the Soviet Union has stopped giving military aid to Nicaragua and hopes that the Central American people will settle their differences by themselves.

Mokanu, who met with Azcona today, leads a Soviet delegation that is touring several Central American countries.

"Mokanu has told me that the Soviet Union is willing to help attain peace in Central America and one of the first steps it took last year was to stop supplying weapons to Nicaragua," Azcona asserted.

"This statement strengthens any decision that the Central American presidents may adopt" at the summit that will begin in the Honduran city of Tela, he added.

The presidents will meet between 5 and 7 August to analyze the Nicaraguan contras' demobilization, the situation in El Salvador, the reactivation of the Central American Common Market, the creation of a Central American parliament, and a project for trading food.

Azcona became angry when a journalist asked him if the upcoming summit is condemned to fail given some opposing positions among the area's presidents, particularly those of El Salvador and Nicaragua.

"No summit has ever failed. The mere fact that the presidents will gather for an hour to discuss mutual problems and adopt solutions is already a success," he said.

Nicaragua

H. Ortega on Area Presidents Meeting, Contras

PA0308143089 Managua BARRICADA in Spanish 2 Aug 89 pp 1, 5

[Text] "The demobilization of the contras depends on Honduras," Defense Minister Army General Humberto Ortega said yesterday in response to reporters, who approached him at the ceremony marking the 10th anniversary of the Sandinist Air Force [FAS] at the FAS hangars.

Humberto said that he hopes that at the forthcoming meeting in Tela, Honduras, the Central American presidents will reach a consensus on demobilizing the mercenary forces that are in Honduran territory, a condition for achieving peace.

He emphasized that the relative peace in the country follows constant defeats of the mercenaries and is due to the tenacity and skill of the Sandinist fighters who, supported by the FAS, have been able to launch strategic offenses against the contras.

The defense minister pointed out that in the next few months, there will be a dynamic process leading up to the February elections in which "we Sandinists are going to confirm a historic change, while our enemies will be relegated to the past. We are not afraid of their [word illegible]," the military chief pointed out.

He noted that once total and lasting peace is achieved, conditions will be created for considerably improving the standard of living of the people and the Sandinist fighters, and the housing problems and material needs of society will then be addressed.

The defense minister charged that mercenary forces infiltrate into in the 1st, 5th and 6th Regions to murder peasants, attack cooperatives, and to try to "make the peasants believe that they should not vote for the FSLN [Sandinist National Liberation Front]. The mercenaries are afraid that if peace is achieved, they will be unable to justify their policy of war, and war is the way they make a living."

Humberto then recalled the times when small aircraft were loaded with over 1,200 pounds of supplies for the rebel forces, which led to the establishment of the FAS-DAA [Sandinist Air Force and Antiaircraft Defense], whose 10th anniversary we commemorated yesterday.

He said that even more important than international cooperation are the men who have defended the fatherland and the revolution with their bodies and souls.

Captain Luis Hernandez then read the FAS-DAA officers' and soldiers' commitment to honor the 10th anniversary of the institution's founding. Hernandez pointed out the fighters' moral and political willingness to assume their defensive tasks with patriotism and dignity.

A group of 16 paratroopers demonstrated their skills and jumped from a helicopter flying at a considerable altitude.

FAS-DAA Chief Colonel Javier Pichardo attended the ceremony, along with Colonel Hugo Torres, Colonel Julio Ramos, and other high-ranking military chiefs of the Sandinist People's Army. The Cuban, Soviet, Mexican, and Venezuelan military attaches also attended the ceremony.

Reportage on National Dialogue in Managua

Ortega Gives Opening Speech

PA0308175289 Managua Domestic Service in Spanish 1530 GMT 3 Aug 89

[Speech by President Daniel Ortega inaugurating the National Dialogue at the Olof Palme Convention Center in Managua—live]

[Text] [Words indistinct] legally registered parties, good morning representatives of the state branches, of the Supreme Electoral Council, [words indistinct] political parties represented at the National Assembly, good morning gentlemen observers, good morning dear friends of the diplomatic corp.

For the first time in Nicaraguan history—after 158 years of a bourgeois, capitalist, and proimperialist [word indistinct]—we have 21 legally registered political parties of [words indistinct]. [words indistinct] for the first time in Nicaraguan history, we have a multiparty system. We have been building democracy in Nicaragua since 19 July 1979. Since our independence from Spain in 1821 and until 1979 it was not possible for Nicaragua to have a multiparty system. It was not possible for Nicaragua to have a democratic system since our independence from Spain until 1979.

Thanks to the revolution, thanks to the heroism of the Nicaraguan people, we have a multiparty system in Nicaragua. We now have 21 legally registered political parties. That is a real example for many other Latin American countries which consider themselves democratic countries, while the political opposition in those countries is sidelined. We do not need to go very far. There are Central American countries that demand a minimum of 30,000 members to legalize a political party. In Nicaragua, the revolution, the government has acted with great flexibility. The government has not created such limitations for the formation of political

parties. All political and ideological tendencies have had an opportunity to participate in the country's political life. Thus, we have strengthened our multiparty system and our democracy.

I visited Costa Rica recently. I met with President Arias and we talked about the upcoming central american presidential meeting to be held in Honduras. We are very concerned about the future of the peace plan in view of the fact that various changes have taken place in Central America, particularly in El Salvador.

President Arias also told me he is concerned about the attitude adopted by various U.S. rightist groups. Those groups want to maintain the military option against Nicaragua. He told me he is completely against the military option. He told me he is against the contra [words indistinct] the political [word indistinct]. He told me he favors the agreement the Central American presidents reached in Guatemala in August 1987.

Similarly, Arias is concerned about the fact that Costa Rica had been unable to fulfill some of the peace plan commitments, especially the one regarding the Central American parliament. He told me he wants to fulfill that commitment, but that the Costa Rican Legislative Assembly has not approved the formation of the Central American parliament.

He also wished to note his concern over the situation in Central America. we discussed many ideas for many hours. One of the topics mentioned was the national dialogue. I told President Arias that Nicaragua was one of the few countries complying with the commitment to hold a dialogue. All of the Central American countries are obligated to hold a dialogue—all of us. The peace plan was made for all the Central American governments. The peace plan was not made for Nicaragua alone. It was an agreement among all the Central American countries, which drafted the peace plan. I think that all of us, as responsible political leaders, know the peace plan perfectly well.

The peace plan clearly spells out the commitments of each and every Central American government. The aspects covered deal with strengthening democracy, respect for human rights, labor organizations, the self-determination and independence of our nations, and economic and ecological action. The Central American presidents pledged to undertake a series of actions to seek stability in the region and to reach peace in Central America. There are conflicts all over Central America. Whether to a lesser or greater extent, conflicts exist. That worried us, and that is why we met and reached an agreement in August 1987. The agreement was of historic importance for the Central American countries and peoples. This agreement will be 2 years old on 7 August, the date on which we will conclude the presidents summit in Honduras.

Regarding the dialogue, I told President Arias that none of the other countries was complying with that commitment. Nicaragua has complied the most thus far, and this was recorded in reports by international organizations—such as the International Verification and Follow-up Commission [CIVS]—when [words indistinct]. When the CIVS visited Central America to assess compliance with this point by the Central American countries, it noted Nicaragua's efforts in its report, assessment, or conclusion. It noted that Nicaragua was the country that complied the most, and that other countries or governments had not complied and had refused to hold dialogues. Nicaragua has strengthened its efforts. Now we not only hold talks with opposition groups and the country's political parties, but also with groups armed by the U.S. Government, by which I mean the counterrevolutionaries.

You will recall that we held talks in Santo Domingo, and we continued talks in Guatemala at the contras' request. We first wanted to hold talks with the United States in Washington. We wanted them to be held in Washington because the contras have their offices there; they are an appendage of the U.S. Government. however, they adamantly refused to hold the meeting in Washington because the United States did not want to accept its responsibility. And so we finally agreed to hold indirect talks in the Dominican Republic. The talks were later continued in Guatemala and Costa Rica. They said: no, we want the talks in Nicaragua; and the meeting was held in Sapoa. Then they said: We want the talks in Managua, and we held the talks in Managua. Then they said that they would not continue the talks in Managua. Nicaragua has presented very specific proposals regarding the dismantling of the contras.

However, the contras, following their criminal policy against the Nicaraguan people, decided to withdraw from the talks to continue their terrorist actions against the Nicaraguan people, to continue murdering peasants and children, destroying cooperatives, and bringing more sorrow to the Nicaraguan people.

There was a foreign ministers meeting in Guatemala yesterday. Foreign Minister [Miguel] D'Escoto, who is attending that meeting, said that it was time to discuss at those meetings [word indistinct] Nicaragua's efforts in various fields to comply with the peace agreements.

Not even the National Reconciliation Commissions are working in all the Central American countries. What has happened at the presidential summits is that the other Central American governments ask Nicaragua not to bring up those topics because they are not complying with those points. Therefore, they look bad, because while Nicaragua is complying, they are not.

Here in Nicaragua, we have a National Reconciliation Commission headed by Cardinal Miguel Obando y Bravo, which recently evaluated the efforts. It was a positive evaluation, not a critical evaluation, not an

evaluation [words indistinct] signed by all the members of the National Reconciliation Commission. This has not been done by any other Central American government. Therefore, when we request that the subject be included on the next meeting's agenda, the other governments have refused, admitting that they have not been able to work with the National Reconciliation Commission and are having problems in that regard.

The truth is that Nicaragua is the country that has complied the most; it is the country that has breathed life into the peace plan. It is the country that has contributed the most to Central American peace with its people's blood and its political and diplomatic efforts. Our government has acted responsibly.

I told President Arias—as I recently told [Venezuelan] President Carlos Andres Perez during a stopover in Caracas when returning from Argentina—that we would begin a dialogue with the political parties in Nicaragua. During my visit to Costa Rica, I told President Arias that we were going to begin a dialogue either before or after the Honduran summit.

Of course [words indistinct] based on the confidence we have in each other. This is not a commitment I acquired with President Arias. President Arias is the president of Costa Rica, not of Nicaragua. I am the Nicaraguan president; he is not. It was a friendly meeting. I told President Arias that I will also insist on the need for Costa Rica to approve the Central American parliament. We exchanged views and ideas, and afterward we informed the press of what we discussed. It was not a matter of compromising Nicaragua's sovereignty and self-determination or that President Arias will now become the Nicaraguan president. That was not President Arias' intention either. He was always very respectful during the talks and in the statements he made after our meeting in Costa Rica.

I told President Arias that we were going to make an effort to hold the dialogue. I also said that I hoped that the political parties will not interpret this as a sign of weakness. That is the problem we have in Nicaragua: When the government calls political parties to a dialogue, some parties erroneously interpret it as a sign of weakness on the part of the government. They say to themselves: This is the time; then they begin to ask for impossible things. All right, they can demand impossible things; everyone has a right to make his own proposals, particularly in such a democratic country as Nicaragua.

We, however, must act rationally and pragmatically; if not, we risk having a confrontation instead of a dialogue, and that would not have the results the Nicaraguan people are expecting [words indistinct]. [Words indistinct] I will begin this dialogue before [words indistinct]. He [Costa Rican President Oscar Arias] said: But when will you begin the dialogue? We will see. I cannot yet give you a precise date. We will see when we can begin the dialogue, but you can be sure that I will begin a dialogue. He said: But how? [Words indistinct] recently with opposition members. Several opposition members [word indistinct] with me, and the dialogue emphasized their concerns. I told him: I will speak with all opposition members. I will invite them all to the dialogue. [Words indistinct]

After our talks, we met with Costa Rican, Nicaraguan, and foreign reporters. A reporter asked me about the dialogue. A reporter... [changes thought]. I have the literal translation here with me. There are no changes in this translation; it is a literal translation. Journalist Marlene Rodriguez—I believe she is a Costa Rican reporter; I do not believe that there is a Nicaraguan reporter with the name Marlene Rodriguez; she is a Costa Rican reporter—asked me: President Ortega, I would like to know under what conditions will the dialogue take place? Who would be the mediator in that dialogue? What are the possibilities that the opposition's views will to be taken into account?

[Words indistinct] moment, President Arias was with me. The two of us were there before the press. We were issuing a report on our meeting and on the conclusions we reached regarding the [words indistinct]. I answered that reporter by saying this: The dialogue will be held directly with the various parties. There is no reason to bring third parties into this dialogue. In fact, I have held bilateral talks with each and every one of the Nicaraguan political parties. I have also met with all of them simultaneously. We all met in this very convention center. That was a multilateral dialogue. We then held bilateral dialogues. In other words, we have also held multilateral dialogues. I added: We will have to wait and see what the results of this new dialogue will be. The most important thing is for this dialogue to work out.

I said: People are demanding a dialogue, and that demand not only comes from the parties belonging to UNO [National Opposition Union], but also to the independent parties. The [words indistinct] are also making their demands—the [words indistinct] independent parties and the parties that compose UNO. The UNO parties and the independent parties have raised some similar concerns [words indistinct]. The two sides raised some similar issues. That is how I responded to that reporter. I told her: The dialogue will be held directly with the opposition parties. There is no need to bring third parties into it.

Of course, the great witnesses in today's dialogue are the Nicaraguan people. [Words indistinct] was very important to hold this dialogue before the people. It was important for the people to be aware of the Nicaraguan Government's position and that of the leaders of the legally registered political parties. It was important that the people [word indistinct] whether we are acting with due seriousness and responsibility in order to strengthen the election process, which is aimed at attaining the peace demanded by the Nicaraguan people.

We therefore decided to hold a true face-the-people dialogue. We said: Let the dialogue be broadcast live. Why should we fear a live transmission of this dialogue if what we are going to discuss will not harm or conspire against the Nicaraguan people? We are supposed to talk about solving the problems that concern the Nicaraguan people. Therefore, this dialogue is an example of political openness and democracy. We can give this type of [word indistinct] before the local and foreign press, before the UN and OAS observers, before U.S. observers from the Center for Democracy, the diplomatic corps, and the Nicaraguan people.

I do not believe we could have a better demonstration of democracy than this dialogue. Now that the word transparency is in fashion, [words indistinct]. I believe that all the political parties represented here agree with the decision to transmit this dialogue live. The people will listen to the president and the leaders of the various political parties. They can listen to the various positions, debates, proposals [words indistinct]. I am sure the political leaders present here do not oppose the transmission. Obviously, if all the parties present here tell us that they disagree with the presence of the press, that they disagree with the live transmission of the dialogue, that they do not want the people to listen to them, then we would [word indistinct] and meet behind closed doors and in secrecy, an action that would raise all kinds of suspicions.

However, I do not think that is the attitude of the political leaders present here. I am sure they would agree [passage indistinct] as it is already being broadcast live over the radio and television so that the people can become aware of the various positions.

This is not a dispute. I do not believe we came here to participate in a dispute. We came here to [words indistinct]. We came here with a desire to build. That is important. We did not come here intending to destroy anything. We came here to build [word indistinct].

Here we have leaders of various political parties. I invited 21 political parties. I invited the Sandinist National Liberation Front [FSLN], the country's majority party; it is essential that the FSLN be the [word indistinct]. It would not be democratic to deny the FSLN the opportunity to present its position. We also invited the Democratic Conservative Party of Nicaragua represented by Daniel Brenes, Eduardo Molina, Clemente Guido; the Social Christian Party represented by Erick Ramirez [words indistinct] heading the delegation of the FSLN; the MAP-ML [Marxist-Leninist Peoples Action Movement] represented by Isidro Tellez; the Independent Liberal Party for National Unity represented by Eduardo Coronado; the Revolutionary Workers Party represented by Bonifacio Miranda; the Central American Unionist Party represented by [name indistinct]; the Conservative National Unity Party represented by Silviano Matamoros; the National Action Party [Partido de Accion Nacional] represented by (Virgilio Baltodano); the Independent Liberal Party [PLI] represented by Jaime Bonilla—you are from the PLI right? [Bonilla's response unheard] Then come here and place a sign with the name of the party in front of them, please.

[Ortega addresses protocol officials] Do you have the sign there? Place that sign there. No, not that one. That is too small. Put a good sign in front of them. Do you have a good sign there? Put one there, there. There is the sign.

Then, there is also Mr Eli Altamirano—these parties still exist right, they have not been dissolved yet, correct? Mr Altamirano belongs to the Communist Party of Nicaragua, right, to the Communist Party, right? To the Marxist-Leninist Party? Eli? [word indistinct] always against the bourgeoisie, right Eli? And against imperialism, too? [Altamirano's response unheard] Well, then well... [Ortega changes thought].

We also have the Nicaraguan Socialist Party represented by Luis Sanchez; the MUR [expansion unknown] represented by Francisco Santos; and the Social Conservative Party represented by Dr Aguero. We have one, two, three, four, five, six, seven, eight, nine—we have nine independent parties—and we have one, two three, four, five parties... [Ortega changes thought] Yes, we have one ruling party, eight independent parties, and one, two, three four, five—we have five parties that belong to what is called UNO. They are here representing UNO.

UNO made its request yesterday, because it had not yet introduced a request for its creation. Here, it [words indistinct] as it wishes, whether they want to participate in the elections on their own [words indistinct] or as a group. [Words indistinct] the problem is that they had not sent their request to create UNO [passage indistinct] had not sent that request. Thus, the problem was that you had not reached an agreement. It was not our problem. It seems that yesterday, you reached an agreement and sent us your request [words indistinct].

I only wanted to make these clarifications before starting the dialogue and I would like to point out the following:

First, the agenda for this dialogue reads: Introductory statement by the president, followed by a statement by Supreme Electoral Council President [CSE] Dr Mariano Fiallos. You heard him say in his brief statement how far the work of the CSE has progressed and the problems they are facing. Then you will have the floor. What can you talk about? We are not putting any limits on anything. We are not going to censor anybody here. We are [words indistinct] and I believe we have proved that many times during previous talks. We have talked [words indistinct] no limits, there are no limits on time, no limits on anything. We are here to talk for as long as necessary. We are here to reach agreements, starting from the premise that all the people gathered here have enough authority to make decisions. I do not want to experience what happened some time ago when we met

and I told you: Ok, let us reach this agreement, [words indistinct] reach an agreement and then you said: No, we cannot reach any agreement because we have to consult with our board of directors. [Words indistinct] now, maybe somebody will say: No, I cannot approve anything before consulting with the leaders. Well, [words indistinct]. We will not leave this place unless we have reached an agreement, whether it is at 0300, 0400, or 0500 in the morning. If needed be, we will spend the whole day today and the whole day tomorrow here until we reach an agreement. To come here only to look at each other and to deliver speeches is to waste our time. I believe you have enough authority to make decisions here.

Therefore, you can refer to the electoral law regulations, and to the regulations of the media law. We want to know your viewpoints in this respect and on other points that deal with the electoral process. What does this mean? Well, that you have time to bring up any subjects [words indistinct]. We are not imposing any limitations on you. You may speak about any subject you wish. You may speak as you wish, because we have not come here to limit the time or the subjects that will be discussed. Obviously, the more organized the debate and the proposals on the issues being discussed, the more rapidly we will progress. However, we are willing to spend as much time as necessary to solve the problems [words indistinct].

I will now give the floor to Dr Mariano Fiallos, who will refer to the [words indistinct]. Right after he speaks, it will be your turn.

Arce Addresses Parties

PA0308224789 Managua Domestic Service in Spanish 1636 GMT 3 Aug 89

[Speech by Commander of the Revolution Bayardo Arce Castano, deputy coordinator of the Sandinist National Liberation Front (FSLN) Excutive Commission, at the National Dialogue held at the Olof Palme Convention Center in Managua—live]

[Text] Comrade president, comrades of other state branches, observers, and guests: The FSLN has deemed it wise to first make a general statement on the attitude with which we came to this meeting, something that will be very useful. In this regard, we may be able to meet the expectation that this dialogue be truly constructive. We say this because through the news media, where political parties of diverse political convictions speak freely, we have more or less learned their general stance on the national dialogue.

We believe that if we are going to be truly constructive and work with a spirit of patriotism, the dialogue cannot be based on demands some parties will make here without accepting any kind of compromise. It seems that the basis for an understanding consists of the fact that the diverse political forces represented here, the diverse political parties legally registered, and the four state branches, in particular the branches that deal with the electoral process, must reach mutually binding compromises. Each must have something to contribute to guarantee the electoral process. We say this because, as the guiding thought of meeting and as you [not further identified] stated in your speech, we are seeking to improve democracy to strengthen and achieve peace in our country and Central America.

Through public statements, we already know the problem with regard to the Patriotic Military Service [SMP], for example. Some parties here came to ask for the repeal the SMP law. Others said they came to ask that the law be suspended during the elections. Still others want the demobilization of soldiers that serve the SMP 6 months before the elections. This is basically asking the state to become defenseless. We, who have played an active role as a party and through our party's youth so that the people can defend the fatherland from U.S. aggression, are the first to feel enraged by this sort of proposal. What do they offer in exchange for repealing the SMP law? What do they offer in exchange for ordering a suspension in the SMP? What do they offer in exchange for demobilizing the fighters who serve the SMP 6 months before the elections? Absolutely nothing.

We see this situation: The U.S. Government, in a new display of brazeness, introduced to the U.S. Congress and media its new employees who will lead the counterrevolutionary forces. The new leaders of the so-called Nicaraguan Resistance warned they are not demobilizing before February 1990, and that if the Central American presidents in the upcoming summit reach an agreement on the contras' demobilization, they will enter the country and try to wage an all-out war, something they have never stopped. They never stopped their military operations, although they claim they are respecting the cease-fire.

Simultaneously, we are seeing that the Salvadoran president, along with other forces, are maneuvering to make the contras' demobilization—something that was already agreed upon by the Central American presidents in the Costa del Sol agreements—contingent upon an absurd symmetry with the political situation in El Salvador. This development diminishes the optimism that the awaited contra demobilization will happen so that we can have peace. More important than what the U.S. Government and other puppet governments of the United States in Central America are doing is what Nicaraguan political parties are doing. We have parties here that oppose the contras demobilization until the elections are over. They signed a pact with counterrevolutionary forces, in effect turning these U.S. employees into guarantors of democracy and allowing them to wait until February 1990 to demobilize.

Is it even-handed for political parties to demand that the state demobilize its army and dismantle its defense capability, while the aggressors maintain their offensive

capability? We do not see any even-handedness. We do not see any true commitment to an understanding. Instead, we see this as a ploy to weaken the state, and, in this case, the Nicaraguan people who have been the victims of that aggression, while the mechanisms of aggression of U.S. policy, which our people have faced all these years, are maintained and reinforced.

Concerning the demands being made on the SMP, we undoubtedly reject any attempts to abolish the SMP law. We also reject the suggestion that we demobilize the youths who are on active duty defending the homeland 6 months before the elections. We will flatly reject this as long as the other Central American presidents and the United States refuse to abide by the agreements and demobilize the contras they created, through which they have been (?attacking) our people for the past 8 years. We, who have committed our political work, our leaders, and party members to setting an example in the defense of the homeland, have our own views concerning the SMP and its impact on the electoral process. However we are not about to exempt members of the opposition from active duty like some parties have publicly requested. Why should we? Such an exemption would only open the doors for anyone who does not want to serve to claim that he is a member of the so-called UNO [National Opposition Union], the Nicaraguan Social Christian Party, the Nicaraguan Conservative Party, or any other party and have the right to be exempted from active duty. The exemption would only open the doors for someone to say: I am a member of a party, therefore, I do not have to sign up for active duty. (?They want to be exempted because they are afraid of fighting.) Meanwhile, we are sending our people, our cadres, our youth leaders, to set the example during a voluntary mobilization thus abiding by the SMP Law.

What we must stress at this time is the FSLN's official position within the give and take framework. All we are doing here today is making official the proposal presented by the 19 July Sandinist Youth. We believe that to allow the youths to participate in the electoral process, as candidates, as party members, and as a determining factor in the electoral process, we can accept and we hereby propose that the state refrain from recruiting youths between September 1989 and February 1990—that no one be recruited between September and February. However, this calls for some reorganization of the plans of the government and the Army and it would automatically reject any idea of abolishing a law, implementing a moratorium, or exempting opposition party members from active duty, and demobilization of the SMP members who are doing their duty and truly guaranteeing peace in the region and in Nicaragua, thus guaranteeing peace for the electoral process itself. The mercenary forces are already threatening. They are trying to frighten the peasants, telling them that if they vote for the FSLN they will have problems. Therefore, we reject the idea and suggest a break in the recruiting process between September and February.

Meanwhile, since the idea calls for giving on both sides I would like to suggest to you, president of the Republic, and to the government branches, that as the suggestions are presented—and we have learned of several as a result of the freedom of press that we have here in the country—that the government organizations and the parties express their views. Those who represent the alliance that has been formed, the so-called UNO, have already said that they have many demands. However, we wish to ask them: What is your commitment toward democracy?

Their nonparticipation in the Regional Electoral Councils was their decision. As the CSE president said, the purity of the elections will not be guaranteed by 4,000 polling tables and several electoral inspectors. It also requires a commitment through the participation of the parties and citizens.

If they refuse to submit candidates for the Regional Electoral Councils, they can also refuse to send candidates to the vote-receiving boards—where the opposition has a right to be represented by at least one of the three judges—and then say that they are not being allowed participation. If they are participating in the elections, they have the right and it is their duty to submit the names of their candidates to the electoral organizations. They should not make demands while remaining on the outside [of the political process], without assuming any commitment so that later they can say that they had nothing to do with the decisions that are made.

I think that what the CSE president has just said is very revealing, because UNO has two representatives at the CSE, which is made up of members and alternates. This is in addition to two members of the opposition who are described as independent. There are also two notables whom I do not think are Sandinists. I do not recall having Rodolfo Sandino, much less Ernesto Salazar, a business leader, among our ranks. However, all of them have unanimously approved the judges... [corrects himself] the regional electoral tribunals. This means that the UNO representatives approved all but one magistrate, because only one of them was not unanimously approved. However, they are trying to disqualify the regional electoral organizations. They have criticized them, saying that they are not valid.

Therefore, I think that if we are going to talk about commitments, we must begin seeking those commitments with a patriotic spirit. We cannot just hear numerous demands with the idea that if those demands are met, it is good, while if they are not, it is bad. We have reached puritanical levels in politics. Within the framework of the freedom of the press, I read that, according to an UNO spokesman, it was a sin to call this meeting before the presidential summit.

It is said that you [President Ortega] will go to the presidential summit with renewed strength. What is wrong with the Nicaraguan president going with more

strength to achieve peace? Is this not what all Nicaraguans want, peace? Or do we want the next presidential summit to fail, in which case we would be on the path of war again?

That is the position expressed in the official or semi-official organ of this new alliance, the Somozist daily LA PRENSA. That is their position. They have said that this is a maneuver, and even recommended nonparticipation. Yesterday it gave guidelines to those who will participate. I can already imagine what they will do, as yesterday's editorial was a step by step guideline. In addition, it disqualified all others that are not in the opposition because they are not in that alliance.

What I think we should do—and this is going to be our suggestion over the course of the debate—is to seek a quid pro quo among the parties, between the parties and the state branches, if we really intend to be constructive and, as you said, if we want to be really patriotic. What we want is to strengthen the electoral process and not take advantage of the game of building up a democratic image for the Nicaraguan Government and the FSLN through publicity stunts when reality is showing us the contrary [as heard].

Government, Opposition Speak

PA0408131589

[Editorial Report] Managua Domestic Service in Spanish at 1600 GMT on 3 August carries live coverage of the debate at the national dialogue between Nicaraguan Government and opposition party representatives at the Olof Palme Convention Center in Managua.

Supreme Electoral Council (CSE) President Mariano Fiallos speaks for 35 minutes, explaining the electoral procedure and noting that the CSE will organize free, just, and honest elections that will reflect the people's will.

The debate continues with remarks by various opposition figures attending the national dialogue. Democratic Conservative Party representative Clemente Guido calls for reforms to the Electoral and Media Laws and for "changes in the system." After he concludes his 21-minute speech, the next speaker is Erick Ramirez from the Social Christian Party, who presents a "list of 35 proposals," covering, among other things, social justice, amnesty, international observers to the elections, and reforms to the Media and Electoral Law.

A National Opposition Union (UNO) representative then speaks for approximately 32 minutes. The speaker begins by saying that the Sandinist National Liberation Front is trying to "confuse the opposition parties," and he explains UNO's composition and goals, foremost among which is "national reconciliation." After stressing the need to grant amnesty to political prisoners, the UNO representative presents a list of demands, including electoral guarantees, international observers, the suspension of the Patriotic Military Service, reforms to the Media Law, among other things. Ortega's response to the UNO representative's remarks and the debate among various party representatives that follows are unmonitorable.

In an approximately 25-minute statement, a Marxist Leninist Peoples Action Movement representative calls for the dismantling of the counterrevolutionaries and the implementation of the Esquipulas Agreements. Coverage of the session ends at 1920 GMT on 3 August.

Ortega, Parties Reach Agreement

PA0408150789 Managua Domestic Service in Spanish 1417 GMT 4 Aug 89

["Political agreement" reached between the Nicaraguan Government and three left-wing parties at the end of the National Dialogue on 4 August; read by President Daniel Ortega at the Olof Palme Convention Center in Managua—live]

[Text] Nicaraguan President Daniel Ortega, commander of the revolution, and the representatives of three legally established political parties—the Marxist-Leninist Peoples Action Movement, MAP-ML, the Movement of Revolutionary Unity, MUR, and the Revolutionary Workers Party, PRT—met on 3 and 4 August at the Olof Palme Convention Center in Managua to discuss the exercise of the people's democratic rights and guarantees and conditions of equality for the participation of the Nicaraguan political parties in the current election process. During this national dialogue, which was widely covered by the local and foreign media, the undersigned agreed:

1. To demand that the Honduran Government dismantle and unconditionally demobilize the counterrevolutionary forces that attack Nicaragua and whose camps are in Honduran territory.

2. To demand that the U.S. Government respect Nicaraguan sovereignty and ban all CIA activities in the current Nicaraguan election process.

3. Taking into account the demands presented by the political parties that have signed this agreement, the Nicaraguan president commits himself to continue talking with them to achieve better conditions for the democratic participation of the workers in the country's political process and equal conditions for the participation of the political parties in the election process.

Managua, 4 August 1989
Signed by President Daniel Ortega Saavedra
Commander of the Revolution Bayardo Arce Castano
for the Sandinist National Liberation Front
Francisco Samper Blanco for the MUR
Isidro Tellez for the MAP-ML
Bonifacio Miranda for the PRT

Obando y Bravo Approves of Democratic Efforts

PA0408144789 Managua Radio Sandino in Spanish 1200 GMT 3 Aug 89

[Text] Nicaraguan Cardinal Miguel Obando y Bravo said in Venezuela yesterday that the Nicaraguan elections will be a step in the right direction, because the opposition parties will democratically participate in the elections.

Obando y Bravo arrived in Caracas to participate in the 11th Conference on the Church and the Workers Movement, sponsored by the Latin American Central Organization of Workers and the Latin American Bishops Conference.

Leaving Miraflores Palace after visiting Venezuelan President Carlos Andres Perez, the Nicaraguan prelate said the Nicaraguan church has never been linked to any political party because its role is to work for the nation's welfare.

Obando y Bravo recognized the steps being taken by the Sandinist Government to institutionalize democracy in the country and added that he hopes more steps will be taken in the future.

Referring to the contras' demobilization, Obando y Bravo said: If there are just and free elections, there will be no need to have contras.

Contra Casualties, U.S. Activities Reported

PA0408151489 Managua Radio Sandino in Spanish 1200 GMT 3 Aug 89

[Text] The Defense Ministry last night issued a communique reporting that during July, the contras carried out 132 attacks in which 32 rebels were killed and 30 captured. The goal of the mercenary operations, the communique adds, is to sabotage the electoral process and threaten peasants. The contras killed 7 peasants, wounded 9, and kidnapped 15 others in July. They also killed 14 Sandinist People's Army soldiers.

The communique adds that the United States continued its air and maritime spy operations against Nicaragua last month. The United States conducted 17 spy flights, kept warships in the Pacific Ocean, and carried out military maneuvers in the Gulf of Fonseca.

Panama

Ritter on U.S. Sanctions, 'Invasion' at SELA

PA0308132889 Panama City Telemetro Television in Spanish 2300 GMT 2 Aug 89

[Report on statements by Foreign Minister Jorge Ritter at the Latin American Economic System (SELA) meeting in Cartegena de Indias, Colombia—date and place not given]

[Text] At a recent Latin American Economic System [SELA] meeting, Panamanian Foreign Minister Jorge Ritter criticized U.S. economic sanctions and warned of an imminent U.S. invasion. The Panamanian foreign minister emphasized that the SELA meeting not only provided a forum for the discussion of the foreign debt and drug trafficking problems, but also for a report on what he described as an imminent U.S. Army invasion of Panama. This SELA meeting was held in Cartegena de Indias, Colombia. Ritter explained that this report drew attention and alarmed other nations.

[Begin Ritter recording] We reported U.S. military maneuvers and the imminent danger of an armed U.S. invasion. We also showed SELA members—as we showed members of the diplomatic corps—a film of U.S. maneuvers on Thatcher Bridge and the Inter-American Highway, as well as shots of planes overflying the Panama Defense Forces headquarters.

Moreover, the film showed the deployment of tanks on public highways. This had a great impact on SELA members and on the media. Intervention is not something that could happen at an uncertain time in the future; it is imminent. In fact, this invasion has virtually taken place already, as evident in the takeover of streets, towns, and the Thatcher Bridge. [end recording]

Ritter also discussed the so-called national dialogue promoted by the OAS:

[Begin Ritter recording] It has been explained to the opposition—I do not know what more explanation they could need—that the OAS regards the elections as annulled. The opposition must therefore make a decision. However, I believe that everyone has correctly interpreted the decision by the president of the OAS consultative meeting. I maintain that those who claim that they did not understand this decision are merely using this as a pretext to evade the dialogue. I did not make all of this up; others came up with all these conditions. [end recording]

Speaks on Relations With U.S.

PA0408022689 Panama City Televisora Nacional in Spanish 2300 GMT 3 Aug 89

[Text] Latin American governments cannot open the doors at the OAS for a U.S. military invasion, Foreign Minister Jorge Eduardo Ritter pointed out today when speaking about current Panama-U.S. relations during a breakfast meeting sponsored by the Omar Torrijos Foundation.

Referring specifically to Venezuelan President Carlos Andres Perez, the foreign minister emphasized that the South American ruler now realizes that an armed invasion in Panama would terminate the Torrijos-Carter treaties, in addition, it would entail a very high cost for those who promoted it.

In his dissertation, Ritter also explained the true meaning of the words: transfer of power. He pointed out that, in sharp contrast to the OAS, the Panamanian opposition has given another meaning to what will happen as of 1 September. The foreign minister also reiterated that new elections cannot be held until the United States lifts the economic sanctions and puts an end to the aggression.

No Elections Until U.S. Economic Sanctions End

PA0308203989 Panama City ACAN in Spanish 1915 GMT 3 Aug 89

[Text] Panama City, 3 Aug (ACAN-EFE)—During a dialogue with the opposition and the military today, the Panamanian Government said that the lifting of U.S. sanctions against Panama was "an indispensable condition" for calling new elections, which had been suggested by the OAS.

Romulo Escobar Bethancourt, Executive Branch representative at the OAS-sponsored dialogue, submitted a five-point proposal, headed by the proposal to create on 1 September a "provisional, participatory government."

Such a government, Escobar added, will be in charge of "organizing free elections in the shortest time possible." However, he said, an "indispensable condition" for this to take place is the suspension of the sanctions decreed by Washington as part of its pressure to make General Manuel Antonio Noriega step down as commander in chief of the Panama Defense Forces [FDP].

In addition, according to the Panamanian Government, the United States must return to this country the funds that are being withheld at U.S. banks and the frozen canal annuity payments. In addition, Escobar said, an agreement should be reached at the dialogue to allow the new "provisional government" to take steps toward ending U.S. military maneuvers and "provocations" in the isthmus on a priority basis. The new government should also request the withdrawal of the reinforcements that U.S. President George Bush sent to Panama following the annulment of the 7 May elections.

Christian Democratic Party leader Ricardo Arias Calderon, one of the three opposition leaders attending the dialogue, told ACAN-EFE that they will respond to Escobar's proposal this afternoon. He said that the proposal does not specify the composition of the provisional government or the election date—which is not a good sign.

Arias Calderon said that during the first dialogue session this morning, "too much time was lost at the beginning in procedural matters" proposed by progovernment party representatives, which prevented an agreement from being reached. As a result, only Escobar had a chance to speak.

Arias Calderon said that he only found one new good point in the government's proposal, which is the fact that the government has agreed to discuss the country's internal problems first, before continuing to discuss the "foreign issues" (relations with the United States).

At the beginning of the meeting, another opposition leader, Guillermo Endara, told the media that he would continue to insist on setting a date during the dialogue for the departure of Gen Manuel Antonio Noriega from the military leadership. Moreover, progovernment political leader Carlos Duque said that no issue would be excluded from the talks, not even Noriega's departure.

The dialogue between the government, the opposition, and the military resumed today at the request of the OAS after being suspended on 17 July prior to a meeting in Washington of the continent's foreign ministers, who recommended that new elections be held and that there be a "transfer of power" on 1 September. The FDP delegation at the dialogue was headed by Lieutenant Colonel Julio Ow Young, who made no comments either at the beginning or at the end of the meeting.

Dialogue Resumes; Government Makes Proposal

PA0308235389 Panama City Televisora Nacional in Spanish 2300 GMT 3 Aug 89

[Text] At 1500, according to schedule, the participants in the dialogue initiated the second stage of the OAS-sponsored negotiations to seek a formula for understanding of the political situation. This second round of the national dialogue started this morning with a proposal, presented by the government representative and the progovernment political parties, to form a reconstruction government, which would be formed by both government and ADOC [Civic Democratic Opposition Alliance] sectors.

According to this proposal, this government would assume office on 1 September. One of its priority duties would be to make preparations to hold new, free elections as soon as is practical, provided the U.S. sanctions against Panama cease and the Panamanian money withheld by the U.S. Government is returned to the country. The proposal also demanded that the number of U.S. troops in the country be reduced and that the U.S. military exercises in Panamanian territory cease.

Once the proposal was presented by Romulo Escobar Bethancourt, the Panamanian Government representative, a recess was declared until 1500.

Proposal Outlined at Dialogue

PA0408142489 Panama City Telemetro Television in Spanish 2300 GMT 3 Aug 89

[Text] The tripartite dialogue was resumed this morning amid great hopes about a solution to the country's situation. Through the mediation of the OAS, Colonel Julio Ow Young, representative of the Panama Defense

Forces, Romulo Escobar Bethancourt, representative of the Executive Branch, and Carlos Duque Jaen, Ramon Sieiro, and Aquilino Boyd, representatives of COLINA met with ADOC leaders Guillermo Endara, Ricardo Arias Calderon, and Guillermo Ford. After a 2-hour meeting, the government representatives announced that the Executive Branch presented a proposal to solve the crisis.

[Begin recording] [Escobar Bethancourt] The Executive Branch proposes the fulfillment of the stipulations in Point 5 of the declaration of the 21st consultative meeting of OAS foreign ministers, which was issued in Washington on 19 July. On the basis of the declaration and in line with the nation's interests, the Executive Branch proposes:

1. To agree on the formation of a provisional government with broad participation that would take office on 1 September and that would respond to a spirit of national unity.

2. To entrust the provisional government with the task of organizing free elections as soon as possible.

3. To agree that if new elections are to be held, it is essential that the U.S. economic sanctions against Panama be lifted and that the U.S. Government immediately return all the money it has withheld, such as the Panama Canal annuity payments, the tax deductions withheld from the canal workers, the profits from the Petroterminal Company, the funds of the Panama National Bank and Air Panama International, the taxes of the U.S. companies operating in Panama, and so on.

4. To agree that there must be an immediate end to the unilateral military maneuvers and provocations by the U.S. Armed Forces and that there must be a reduction of the U.S. forces in Panama until their numbers are in line with what is really needed for the defense of the canal, as stipulated in the Torrijos-Carter treaty.

5. To agree that another priority task of the provisional government is the revision of the operation of the Panama Canal in accordance with the stipulations of the Torrijos-Carter treaty, so as to correct all the irregularities and violations that are being committed.

This was the proposal that the Executive Branch made this morning and that I defended on behalf of the Panamanian president.

[Reporter] What was the ADOC's reaction to this proposal?

[Escobar Bethancourt] When we concluded our defense of this proposal, a recess was called. The session will continue at 1500.

[Reporter] Does the proposal that elections be held very soon mean that you will not continue promoting the idea of a national unity government?

[Escobar Bethancourt] On the contrary, we are calling for a national unity government in this proposal. [end recording]

1st Day of Dialogue Ends

PA0408014989 Panama City Telemetro Television in Spanish 0000 GMT 4 Aug 89

[Text] Today's session of the so-called tripartite dialogue with OAS mediation to seek a solution to the Panamanian conflict ended late this afternoon.

Carlos Duque, president of the Democratic Revolutionary Party, expressed his views about this meeting.

[Begin recording] [Duque] The proposal that the executive branch presented this morning is being analyzed and discussed point by point and we will continue such discussion tomorrow.

[Reporter] What was the atmosphere of this meeting?

[Duque] It was a very positive, frank, open, and friendly atmosphere. We hope that this trend will continue in the subsequent meetings.

[Reporter] What were the points of conflict?

[Duque] I can honestly tell you that there have been no points of conflict. We are making an analysis. We first established the method or procedure to be followed in upcoming sessions. For example, we decided that there will be a moderator from the tripartite group. He will direct the sessions and it will be a job that will be rotated.

[Reporter] Did the opposition present a counterproposal?

[Duque] They have not yet presented one. Last time, they presented a proposal verbally. We hope that they will present a written counterproposal tomorrow.

[Reporter] Do you think progress was made in the dialogue today?

[Duque] A lot. Every time there is a dialogue, progress is made. The mere fact that we are talking is a step forward.

[Reporter] Is there optimism that a solution will be found soon?

[Duque] The country needs to reach a national agreement. We proposed a government of national unity, a government with broad participation. We are seeking a path that will lead us to that great national agreement that all Panamanians want. [end recording]

Meanwhile, Guillermo Endara Galimany, top leader of ADOC [Civic Democratic Opposition Alliance], assessed the meeting:

[Begin recording] [Endara] We formally responded to the government proposal. We said that a very fundamental aspect of the proposal is that it did not contemplate General Manuel Antonio Noriega's removal. We thoroughly discussed the need the country has for finding a way for Noriega to leave the Panama Defense Forces for the sake of the democratization and prosperity of Panamanians. This proposal was studied from different angles. We also noted that this proposal fails to respect the people's will. It is not like our proposal, which respects the Panamanian people's resolve and self-determination. The government proposal is an oligarchic and aristocratic solution. It is not democratic.

[Reporter] Is the proposal still under discussion or did the opposition categorically reject it?

[Endara] We rejected and criticized it. The truth is that three proposals were brought up. There is the COLINA [National Liberation Coalition] proposal—made by COLINA political parties during meetings held at a hotel located on the outskirts of Panama City—the proposal just presented by the government, and our proposal presented in previous sessions.

[Reporter] You just mentioned that you rejected the government proposal. Then what proposal will you present tomorrow?

[Endara] I did not really mean to say we rejected it and if I did, please accept my apology. I said that we criticized it and raised some objections of substance. We did not reject it because there are three proposals on the floor—those of COLINA, ADOC, and the government.

[Reporter] In your opinion, which of these proposals is closer to a solution for the country?

[Endara] Definitely ours, because it contemplates the Panamanian people's self-determination. It is the only proposal that shows that people count. We must start from the basic principle that there can be no democratic solution without taking the people's resolve into consideration.

[Reporter] Certain aspects of the executive branch proposal concern the stabilization of diplomatic relations with the United States. What is your opinion of this?

[Endara] We have repeatedly stated that a house divided crumbles. We are a house divided. We are completely divided. The government is pulling one way and the people are pulling the other. Let us unite ourselves. Let us achieve reconciliation among Panamanians; this will result in unity, unity we can use to ask not only the United States but.... [changes thought] We have problems with all of Latin America, with Europe, and even with Japan. Let us use our national unity to rebuild our foreign relations based on a house united, a strong foundation. [end recording]

Students Protest OAS Call for Elections

PA0308200489 Panama City ACAN in Spanish 1910 GMT 3 Aug 89

[Text] Panama City, 3 Aug (ACAN-EFE)—Panamanian students staged demonstrations today and declared Ecuadoran Foreign Minister Diego Cordovez "persona non grata" because Cordovez described as "slightly insolent" the opposition's attempt to place conditions on the OAS mediation of the crisis.

Dozens of students from two state-run universities, shouting slogans against Cordovez, blocked one of the main streets in Panama City for approximately 15 minutes. The students were dispersed by riot police known as the "Centurions," who fired birdshot at the students. The soldiers also shot at some 200 students protesting for the same reason on the University of Panama campus. However, the soldiers did not enter the university campus.

The students also protested against the OAS call for new elections. The students demanded respect for the results of the annulled 7 May elections, which the opposition claims it won. The university students shouted slogans and insults at the Ecuadoran foreign minister who heads the OAS mission. They also shouted slogans against the Pamama Defense Forces, which they charged with merely confronting the students and not defending the nation's sovereignty. This was in reference to the military maneuvers the U.S. Southern Command has carried out in Panama over the past few weeks.

The disturbances took place at the same time and a short distance away from where the government, the military, and the opposition were meeting to resume the dialogue, in the presence of the OAS mission headed by Cordovez.

One Dead, Several Injured

PA0408000389 Panama City ACAN in Spanish 2213 GMT 3 Aug 89

[Excerpt] Panama City, 3 Aug (ACAN-EFE)—Human Rights Commission President Osvaldo Velasquez has reported that one youth was killed and at least two more were wounded today in Panama City when student demonstrators were dispersed by soldiers shooting birdshot. Friends and private citizens took the youths to the hospital. Doctors at the hospital told ACAN-EFE that the dead youth and the two wounded—one of them a girl—received multiple birdshot wounds in several parts of their bodies.

University Classes Suspended

PA0408003189 Panama City Televisora Nacional in Spanish 2306 GMT 3 Aug 89

[Text] Today, a group of university students, followers of the opposition, staged disturbances and disrupted order in and around Panama University. Since last week, these political groups have been seriously trying to disrupt order and peace in the country. The police have had to clear the main highway near the university to ensure safe passage to pedestrians and motorists. Today's protests damaged automobiles and harmed motorists. Rocks were hurled indiscriminately, not only at the policemen, but at other people as well, thus endangering the residents. These actions are intended to disrupt order and disturb peace precisely now that the country is making efforts to find a solution to the national crisis. This television station has learned that the troublemakers tried in the morning to get support from other student organizations, which refused. For this reason, only a very small number of students participated in the protest. These students, who follow U.S. Government instructions, harm the rest.

After today's disturbances, the authorities of both the Panama and Technological Universities suspended classes and administrative work. Nevertheless, classes will continue as usual today at the Tocumen extension and Instituto America, authorities said.

High Schools Closed

PA0408025889 Panama City Televisora Nacional in Spanish 0232 GMT 4 Aug 89

[Text] The Education Ministry issued a communique this evening stating that, given the disturbances that occurred today inside and outside the University of Panama campus, encouraged by those who have been advocating violence and confrontation among Panamanians, it has decided to suspend—effective tomorrow—classes in official and private high schools of Panama City, Colon, and San Miguelito. The measure is designed to guarantee our students' security, and the tranquillity of their parents and the community in general.

The Education Ministry communique also says: Likewise, we issue an appeal to students, teachers, and other sectors of the Panamanian community to prudently analyze current events and contribute, with their actions, toward maintaining peace and harmony among all Panamanians.

Columnist Says Woerner Trafficking Drugs

PA0408031789 Panama City MATUTINO in Spanish 3 Aug 89 p 5

["Let the People Judge" Column by Ricardo Lince: "Silence Gives Consent"]

[Text] MATUTINO's exclusive report on investigations concerning General Woerner has created quite a stir among senior [U.S.] Army officers at military bases in Panama. Meanwhile, the Pentagon has remained silent about the sensational investigation, which will presumably become a powerful weapon in the hands of the House of Representatives and the Democrats against the Bush Administration's much-criticized aggressive policy toward Panama.

International news agencies have published the details that have become known thus far and are attentively watching to see if the United States will handle the case the same way Fidel Castro handled the case of General Ochoa, who was sentenced to death for drug trafficking and corruption. If this is so, the investigation is expected to cover the actions of General Cisneros [Brigadier General Marc A Cisneros, commanding general, U.S. Army South]. If this is done, the Pentagon would save face by demonstrating that it wants to be more successful with its policy on controlling drug trafficking and corruption.

We have learned that the Morris woman mentioned in MATUTINO's report is an official of the Southern Command news and public relations services who is extraordinarily arrogant. She has said that she is innocent, but fears that her case will be used against her by the U.S. press because a U.S. journalist has been hotly investigating the Woerner case to give it sensational overtones.

According to public comment, the retirement of a general for drug trafficking is nothing unusual in the U.S. Army, nor has this serious crime been unheard of among senior U.S. officials in sensitive positions. Currently, a U.S. diplomat in central Europe is wanted on espionage charges, and is said to have been photographed red-handed by U.S. counterespionage cameras. This official has not been removed and is not facing charges, like Woerner, who will remain in the military service until next month.

Some observers have noted that U.S. Army personnel are accustomed to carrying drugs onto planes, which is how they have used Howard [Air Force Base] in this criminal enterprise. The U.S. soldiers represent a captive market for drug traffickers, whose network of cocaine pushers extends to all military bases. The Southern Command has remained tight-lipped about this matter, which confirms the adage that silence gives consent.

Station Blames U.S. 'Imperialism' for Jamming

PA0308133189 Panama City Domestic Service in Spanish 1245 GMT 3 Aug 89

["Liberation Trails" commentary program hosted by Euclides Fuentes Arroyo and Baltazar Aizpurua with guest Democratic Revolutionary Party legislator Rigoberto Paredes—live]

[Excerpt] [Fuentes] Good morning, listeners of Radio Nacional throughout the country. We want to report to our listeners that since very early this morning, sophisticated equipment, which apparently is part of the equipment that [4-second break in reception] intercept the

signal of various radio stations, which was seized from CIA member Mr [Frederick] Muse, who had infiltrated into Panama. It seems that part of the equipment that was not seized continues operating and is being used today to jam Radio Nacional's signal. That is why you frequently hear a break in the reception and you hear another signal jamming this station's broadcast.

In any case, we will continue our program, Liberation Trails, despite the interruptions caused by this sophisticated equipment that U.S. imperialism gave to the individuals they used to [3-second break in reception] to destabilize the Panamanian Government and people. [4-second break in reception]

[Paredes, in progress] ...doing because they are preparing, they are testing the effectiveness of these interruptions. Remember, we are very close to 1 September. In this phase, the servile ADOC [Civic Democratic Opposition Alliance] has promised to create all kinds of disturbances and unrest. All of this would obviously be carried out with the $1 million that was given to Calderon Arias [name as heard, reference to Ricardo Arias Calderon, former ADOC vice presidential candidate] when he visited Washington. It would also be supported by all the interventionist actions of the U.S. Army South, of the Southern Command [2-second break in reception] policies implemented by Washington. This is part of well-known, specific policies. This is even down in writing. They have manuals for carrying out state-sponsored terrorism.

This is one of the measures—to silence and jam a station such as this one, which is at the vanguard of the struggle for national liberation and which is heard throughout the country. Therefore, it is important at this time that in addition to reporting the frequent jamming—I have been hearing it since 0500—we must also explain why it is occurring. You are right. The equipment being used is part of the equipment that was not seized and that remained in the hands of some people [3-second break in reception] or simply new equipment that arrived to replace the equipment that was confiscated. [passage omitted]

'Formal Report' Filed

PA0408013489 Panama City Telemetro Television in Spanish 2325 GMT 3 Aug 89

[Text] Telecinco Television executives have filed a formal report with the authorities concerning the sabotage perpetrated by unidentified persons who knocked down the rebroadcasting tower in Veraguas Province that also serves Televisora Nacional. The attack occurred on Monday.

Circuito RPC Television today also reported that at 1345 yesterday, unidentified persons disconnected high-tension fuses on lines that supply power to this station in Chiriqui. According to the report, the action has prevented the station's signal from reaching Chiriqui and Bocas del Toro.

Also, Radio Nacional has reported to ACAN-EFE that the radio station's broadcasts have been jammed. Broadcasters reported distortions in their morning newscast programs.

Telemetro Television hereby protests these actions against other media, which constitute attacks against freedom of expression.

Revenue Department Head on 'U.S. Aggressions'

PA0308232389 Panama City Televisora Nacional in Spanish 2300 GMT 1 Aug 89

[Interview with Ricardo Levy, director of the Finance and Treasury Ministry's Revenue Department, by unidentified reporter; date and place not given—recorded]

[Text] [Levy] The U.S. aggression against our country has caused a drastic reduction in our revenue collection, because some companies have stopped paying income taxes and because we are not receiving canal tolls, payments for leases in the canal area, or oil transportation fees. We have collected no money at all from the latter three. Because U.S. companies in Panama and Panamanian companies affected by the economic crisis are not paying their income taxes, our income tax collection figures have been affected.

[Reporter] Can you give us specific figures?

[Levy] Yes. For example, during the 1st half of this year, we collected 22 million balboas less than what we collected during the same period last year, as far as companies' income taxes are concerned. Areas not affected by the U.S. aggression, however, have shown significant increases. For example, import tax collection has increased 20 percent. Believe it or not, value-added tax collection has increased 9 percent, commercial license fees collection by 20 percent, and the collection of corporations' taxes increased approximately 18 to 20 percent.

Those increases clearly demonstrate that we are experiencing an economic recovery as compared to last year. It also demonstrates that if there were no U.S. aggression, the Panamanian economy would in fact be growing right now and the Panamanian standard of living would be improving. That, however, would probably not suit the interests of certain groups that want our people to be miserable.

[Reporter] What efforts is your office making to try to improve the situation of the affected economic sectors?

[Levy] We have alternate tax collection systems, which are apparently causing much concern at the U.S. Congress.

Bolivia

Paz Zamora Discusses Economic, Social Policy

PY0308135289 La Paz La Red Panamericana in Spanish 1130 GMT 3 Aug 89

[Text] Jaime Paz Zamora, leader of the Movement of the Revolutionary Left [MIR], said last night that the MIR-ADN [Nationalist Democratic Action] agreement will not forget the past, and it acknowleges the work done by President Victor Paz Estenssoro over the past 4 years.

We acknowlege the work done by the outgoing administration to consolidate the economic and financial stability and the democratic system, Paz Zamora said. He promised that plans for national growth and well-being will be based on what has been achieved by the past administration.

The MIR and the ADN seek to complement each other based on the achievements of President Victor Paz Estenssoro, the MIR ledader said.

When asked about the economic program he will institute as president, Jaime Paz Zamora said that it will be based on an ADN-MIR agreement and that it will guarantee economic stability and development. Paz Zamora added that the social aspects of the economic policy established by Decree No 21060 will be improved:

[Begin Paz Zamora recording] Certainly, we wish to maintain a policy of solid economic stability to increase growth and development in the national productive sectors. We will especially emphasize the weakest aspect of Decree No 21060, which is its social policy.

As I said, social policy will be one of the priorities of the future government of national unity, because we consider that our main national task now is to emphasize our human resources. [end recording]

MNR Candidate Promises 'Effective Opposition'

PY0308182689 La Paz La Red Panamericana in Spanish 1540 GMT 3 Aug 89

[Statement by Nationalist Revolutionary Movement presidential candidate Gonzalo Sanchez de Lozada at news conference in the Hotel Crillon in La Paz—live]

[Text] I want to thank you all for coming to this news conference. I am going to read a brief statement:

I am very glad that [Nationalist Democratic Action, ADN, presidential candidate] General Hugo Banzer Suarez has resolved the political uncertainty in the country with his decision to withdraw his candidacy and give his party's votes to [Movement of the Revolutionary Left, MIR, presidential candidate] Jaime Paz Zamora.

Although the final decision is in the hands of Congress, we may safely assume that the ADN will respect this decision (?because I have already) confirmed that the ADN is a well-disciplined party that strictly respects the chain of command.

I regret that Banzer's decision has caused concern, fear, and uncertainty around the nation—recalling old times that no one wants to relive.

The MNR will be in the opposition, as was announced, in due time following the decision of my party's National Executive Committee.

We will exercise a democratic, critical, and effective opposition—one that will be profoundly loyal to the fatherland's loftiest interests.

The first opposition act, the first opposition act [repeats himself] is to ask the Bolivian people to remain calm, to remain calm, [repeats himself] and to trust in democracy although there are many, although for many.... [changes thought] the ADN-MIR alliance is incomprehensible because they are two political forces [words indistinct], it is a legitimate act of democratic people.

I want to tell the Bolivian people that we will have a constitutional government by 6 August. I sincerely wish Jaime Paz Zamora the best of luck for the good of Bolivia.

The electoral result of 7 May, in which my party and I finished first, morally drives me to pursue the political struggle with the same goal that prompted me to run as a candidate; that is, to forge a new, modern, and progressive bolivia with more justice and greater (?sovereignty).

We will continue working to stengthen a revitalized party—one able to meet the great challenges of the new times.

I will continue to serve the country whenever circumstances require—with a calling for service—as I have done throughout my life.

I want to take this opportunity to fraternally thank all those who have worked with me in this electoral campaign, especially the self-denying people of my party, the self-denying people of my party, [repeats himself]; the independents who trusted the project for a new fatherland; Dr Walter Guevara, who gave up his political ambitions to link his cause with the new generations; and the great statesman Victor Paz Estenssoro, for his teachings and for his example.

I profoundly thank all the Bolivians who voted for me for their support and their confidence. I want to tell them that we will continue to struggle without respite in defense of the new economic policy that has given Bolivia a solid basis for stability amid liberty, democracy, and social justice.

We will unfalteringly struggle for the new social policy proposed by my party to become a reality.

Thank you very much. [applause]

Chile

Defense Minister Discusses Budget, Other Issues

PY0308211589 Santiago Radio Chilena Network in Spanish 1700 GMT 3 Aug 89

[Report by Eliana Henriquez from La Moneda Palace]

[Text] The Armed Forces budget for 1989 totals $719,893,000, Defense Minister Patricio Carvajal reported at a news conference.

Vice Admiral Carvajal also said that he does not believe the opposition conglomerate—as he called the coalition of opposition parties—which includes the Christian Democratic Party and the Popular Unity, will maintain similar figures in future governments.

Carvajal noted that the Armed Forces budget for 1989 is slightly lower than that of 1987 and similar to that of 1988. He said that world publications, such as the State of the World Atlas [preceding title in English], which is published in London, reports that Chile earmarks less than 2.5 percent of its GDP to military spending, while the United States, the Soviet Union, and European, Asian, and African countries earmark more than 5 percent of their GDP to military spending.

In sum, Carvajal said, we can state that Chile's military spending is very moderate and that our Armed Forces maintain their deterrent force thanks to their excellent planning and training and their glorious tradition.

Commenting on the role assigned to the Armed Forces by the opposition coalition in its government platform, Carvajal said the document states that the Armed Forces must defend the national territory. He noted, however, that the 1980 Constitution entrusts the Armed Forces with the task of defending the fatherland, of performing an essential role in providing for our national security, and of guaranteeing institutional order in the country.

Carvajal praised the Interior Ministry and the Armed Forces for their dedicated efforts in guaranteeing order during the 30 July plebiscite.

Carvajal also endorsed remarks by members of the military junta, opposing the repeal of the Amnesty Law. Such an action would only revive undesirable confrontations, he said.

The defense minister said that a democratic government will not repeal this law either.

Carvajal spoke out against a dialogue between the Armed Forces and the opposition by noting that such dialogue cannot be held before the December election, that is, before we know who will be the next Chilean president.

Finally, Carvajal announced that Peruvian chiefs of staff will meet their Chilean counterparts in Santiago from 9 to 11 August to continue their talks on reducing military spending.

Coalition Signs Agreement To Support Aylwin

PY0308191289 Santiago Television Nacional de Chile Network in Spanish 1800 GMT 3 Aug 89

[Text] The opposition coalition has reached an electoral agreement, and 16 parties have signed it. The PADENA [National Democratic Party] has not signed the agreement.

In this agreement, the parties of the opposition coalition pledge their loyalty to presidential candidate Patricio Aylwin and his platform.

The PADENA directorate did not attend the signing ceremony, which was held at the opposition coalition offices.

Enrique Silva Cimma, the coalition's current spokesman, has emphasized that by reaching an agreement on electoral matters, a commitment to face the upcoming elections together—a commitment made on 5 October 1988—has been fulfilled.

Independent Candidate Registers for Election

PY0308192689 Santiago Television Nacional de Chile Network in Spanish 1800 GMT 3 Aug 89

[Text] Dr Fernando Monckeberg Barros has been registered as a presidential candidate, with 50,653 signatures. The appropriate legal procedure was performed before Electoral Service Director Juan Ignacio Garcia.

The independent candidate was supported by 12 sponsors, including representatives of shantytown dwellers, univeristies, and youth.

Dr Monckeberg pointed out that his candidacy represents an important percentage of the Chilean people who want a quiet transition to a stable democracy.

Dr Monckeberg said that the financing of his campaign will require great efforts. He pointed out that he will not ask any political party to support him.

Dr Monckeberg refused to claim allegiance to either the center-right or the center-left, indicating that these two ideologies are facing a crisis.

Central Bank Releases Foreign Debt Figures

PY0308145689 Santiago Domestic Service in Spanish 1030 GMT 3 Aug 89

[Text] The overall Chilean foreign debt, which decreased by $591 million from 30 May to 30 June, currently stands at $16,775,000,000. Compared to the 31 January figures, the Chilean foreign debt decreased by $760 million.

The Central Bank, upon releasing these figures, reported that the Chilean foreign debt as of 30 June can be broken down as follows: The public sector debt totals $12,941,000,000, and the private sector debt stands at $3,834,000,000.

The Central Bank report adds that the medium- and long-term debt totals $14,083,000,000, which can be broken down as follows: The public sector accounts for $11,215,000,000, and the private sector for $2,868,000,000.

Paraguay

Rodriguez To Attend Bolivian Inauguration

PY0308154089 Asuncion ABC COLOR in Spanish 3 Aug 89 p 10

[Text] "I will travel to Bolivia to share the joy of the authorities and people of that sister nation by attending the presidential inauguration," President Rodriguez has said through his spokesman, Augusto Ocampos Caballero. The Bolivian Congress will today decide who will be the new president: Jaime Paz Zamora, Hugo Banzer Suarez, or Gonzalo Sanchez de Lozada.

Ocampos Caballero told the media accredited to Government House that "President Rodriguez is sure that his visit to La Paz will improve our relations with Bolivia and open a new range of possibilities in the field of international and bilateral cooperation."

"This democratic meeting is very important; it therefore deserves our support in giving new drive to this government toward consolidating a spirit of brotherhood in the international community to jointly seek solutions to the problems of each country," the presidential spokesman said, confirming President Rodriguez' presence at the Bolivian presidential inauguration. The Paraguayan presidential delegation will depart on 5 August at 1400 from "Silvio Pettirossi" International Airport.

This will be the third meeting Rodriguez will hold with Brazilian President Jose Sarney and Uruguayan President Julio Maria Sanguinetti who, along with other presidents, will attend the Bolivian presidential inauguration.

Foreign Minister Luis Maria Argana reported that Uruguayan President Julio Maria Sanguinetti will arrive in Asuncion on 5 August. He will accompany President Rodriguez to La Paz. Argana said that the two presidents are expected to return together to Asuncion on 6 August, and Sanguinetti will then return to Uruguay.

Foreign Minister Pays Visit to Argentina

PY0108173089 Asuncion PATRIA in Spanish 1 Aug 89 p 13

[Excerpts] Last weekend Foreign Minister Luis Maria Argana made a "lightning" trip to Buenos Aires. On returning to Asuncion yesterday morning, the he went directly from the airport to his office at the Foreign Ministry. This trip shows that Paraguayan diplomatic actions are becoming more dynamic and that more events are taking place.

The "lightning" trip, which lasted 3 days, caused widespread speculation including the possibility that this trip was made for "political" reasons.

Argana's trip coincided with the unofficial announcement that a presidential meeting will be held in August during the official inauguration of the huge international bridge that links Encarnacion and Posadas by rail and by road.

Many high-level meetings between Paraguayan and Argentine representatives are expected to take place in the next weeks. These meetings will be held within the framework of the recent democratic transition in Paraguay and the advent of the Peronist administration in Argentina.

Foreign Ministry Under Secretary Bernardino Hugo Saguier Caballero will reportedly soon travel to Buenos Aires. This is further proof that Argentine-Paraguayan relations are being strengthened. [passage omitted]

Efrain Dario Centurion, the Foreign Ministry under secretary for economic affairs, is in Cartagena de Indias, where he is representing the Paraguayan foreign minister "at the great continental dialogue" on the foreign debt and its serious effects on Latin American and Caribbean.

The "great continental dialogue," which is being attended by foreign ministers, is being promoted by the Latin American Economic System (SELA) seeking formulas for reducing the effects of the foreign debt on the development of SELA member countries.

Entry Visas Requested for Communist TU Leaders

PY0208190289 Asuncion ABC COLOR in Spanish 2 Aug 89 p 19

[Excerpt] Leader of the Workers Interunion Movement (MIT) have informed Justice and Labor Minister Alexis Frutos Vaesken that union leaders of Cuba, the Soviet Union, and Nicaragua will be coming to our country to attend the congress of the United Workers Federation (CUT) on 12, 13 August.

MIT Secretary General Victor Baez Mosqueira said that his organization has nothing to hide and that it is trying to obtain entry visas for the communist and socialist union leaders. The MIT leaders briefed the minister on the CUT congress and on the invitations extended to communist union organizations affiliated with the Prague-based World Federation of Trade Unions. Baez expressed his confidence that the government will issue the respective visas. [passage omitted]

Judge Authorizes Return of Exiled Former Priests

PY0308152489 Asuncion ABC COLOR in Spanish 3 Aug 89 p 29

[Excerpt] SEAS (Education and Social Help Service) members Antonio Cagna and Michel Derieux returned to Paraguay yesterday after 9 months in exile. They were expelled from Paraguay in October 1988.

The former priests returned yesterday at about 1600 GMT after Lower Labor Court Judge Rafael Cabrera Riquelme decided yesterday morning to approve a petition for protection filed for the exiles.

In a lengthy writ, the judge also ordered that his decision be conveyed to the Interior Ministry, so that the ministry would comply with the ruling.

Derieux and Cagna were informed of the court ruling yesterday afternoon in the Argentine city of Formosa.

The SEAS members immediately traveled to the border detachment of Puerto Falcon, where [Presidential Secretary General] Dr Conrado Pappalardo awaited them.

The presidential secretary general later told the former priests that there would be no impediments to their entrance to our fatherland due to the court ruling in this regard. [passage omitted]

Peru

Terrorists Seriously Damage Electric System

PY0308150689 Madrid EFE in Spanish 0353 GMT 3 Aug 89

[Text] Lima, 2 Aug (EFE)—An Electroperu [Peruvian State Electric Power Enterprise] spokesman said here today that a total of 33 high-voltage towers were knocked down in the past few hours by terrorists, interrupting the electric power supply in Lima and along a 1,200-km coastal strip.

The Electroperu spokesman added that the blackout is affecting at least 30 percent of Lima's industrial sector as well as the Provinces of Chancay, Supe, Barranca, Huarmey, Casma, Chimbote, Trujillo, and Chiclayo in northern Peru; and Canete, Chincha, Ica, Nazca, and Marcona in southern Peru.

The spokesman attributed the attacks to commandos of the Maoist Shining Path group who on 26 July began their destructive actions against the hydroelectric power plants in the valley of Mantaro, using dynamite and fuses stolen from mining areas.

The spokesman said: "This is the most serious damage caused by the terrorists in 9 years of political violence." He pointed out that the Electroperu technicians are using fiberglass poles, eucalyptus-tree posts, and even the dynamited towers in the repair work.

Electric power has been restricted for many hours each day in Lima and its 42 districts for the past 8 days, affecting 6 million inhabitants.

The peasant cooperative of Paramonga, 200 km north of Lima, was attacked in the early hours of 1 August by terrorists who took advantage of the blackout to dynamite shophisticated equipment and destroy part of the crops.

Members of the peasant cooperative pointed out that at least 30 guerrillas arrived in the farmlands and, after forcing the peasants to leave their houses, forced them to watch the destruction of their equipment.

A Paramonga cooperative leader said: "We begged them not to do it. We told them that they would destroy the results of many years of work. However, they did not pay any attention. On the contrary, they threatened to kill us if we escaped." The Paramonga cooperative produces an important quota of sugar for consumption in Lima and the so-called "Norte Chico."

According to official data, the armed struggle in Peru in which the Shining Path and the Marxist Tupac Amaru Revolutionary Movement (MRTA) are engaged has resulted in at least 550 casualties—including policemen and civilians—in July 1989, and at least 2,600 casualties so far in 1989.

Five Bodies Found; Shining Path Leader Arrested

PY0308022889 Madrid EFE in Spanish 2206 GMT 3 Aug 89

[Text] Lima, 3 Aug (EFE)—Five naked, mutilated bodies of persons who were apparently tortured before being shot to death have been found in a common grave 15 km from Ayaviri, in the Department of Puno.

According to a report published today by the Lima newspaper LA REPUBLICA, the discovery was restored by Ayaviri Vicar Hilario Huanca.

Even though it has been impossible to identify the dead bodies, some of whom were beheaded, it is believed that three of them might be of members of the terrorist Shining Path group, and another one might be of a teacher who probably died in the last week of July, the sources said.

The murder of a noncommissioned official of the Police Health Department was also reported here today. The official was shot dead by Shining Path terrorists on 2 August while traveling on a bus between Tarma and Jauja, in Junin Department.

The bus was intercepted by the Shining Path members, who asked the passengers to show their identification papers. The official was identified, forced to get off the bus, and shot.

Samuel Vidal Espinoza, who is considered the Shining Path's "number 10," has been reported arrested. Vidal is charged with several crimes, including participation in the murder of Rodrigo Franco, who was a high-ranking government official and a member of the ruling APRA [American Popular Revolutionary Alliance].

Episcopal Conference President Msgr Ricardo Durand has said that there have been no contacts between the Catholic Church and the Peruvian terrorist groups.

He said, however, that some members of those groups had contacted the church and had said they wanted to leave the groups. Everything was done in secrecy to avoid retaliation.

According to official estimates, terrorism and political violence, which have ravaged Peru since May 1980, have thus far claimed 15,000 lives, while terrorist attacks have cause losses worth $10 billion.

Communist Official on Political Situation

AU0308161089 East Berlin NEUES DEUTSCHLAND in German 2 Aug 89 p 6

[Klaus Steininger report: "United Left Shows Peru the Way Out of Its Deepest Crisis; ND Interview With Federico Arana, Member of the Political Commission and Secretary for International Relations of the Central Committee of the Peruvian Communist Party"]

[Text] In the run-up to the presidential and parliamentary elections scheduled for 8 April 1990, only a few months before the municipal elections in November, a process of political polarization is accelerating in Peru. This was stated by Federico Arana, member of the Central Committee Political Commission and secretary for international relations of the Peruvian Communist Party, in an interview for NEUES DEUTSCHLAND in Berlin on Monday [31 July].

While the center of President Alan Garcia's American Popular Revolutionary Alliance [APRA] becomes weaker every day—according to recent opinion polls, only 10 to 15 percent of the voters support it—the forces of the seven-party alliance of the United Left (IU) gathered on one side and those of the right-wing coalition of the Democratic Front on the other side. Instead of worn-out politicians, the Front presents well-known author Vargas Llosa as its presidential candidate, Arana said.

We are struggling for the victory of the IU not only in Lima where, according to all surveys, the IU candidates for the mayor's office are clearly leading, but also in the elections of April 1990, Federico Arana stressed. There are no illusions about the complexity of the struggle. According to WASHINGTON POST reports, measures to prevent an electoral victory of the left in Peru were discussed at a top-level meeting in the White House, in which General Woerner, former chief of the Southern Command of the U.S. Armed Forces, participated, in early May. Effects are already showing in Vargas Llosa's election campaign.

The latest developments in domestic policy can be only understood against the background of the whole social situation, Arana stated. More than 20 million Peruvians are experiencing the most serious and complicated crisis in their history. Runaway inflation—the 1988 inflation rate was 1,700 to 1,800 percent—and a drastically decreased industrial and agricultural production have dramatic effects on the purchasing power and the standard of living. The high budget deficit aggravates above all the situation of the state enterprises which lack financial resources and account for 40 percent of the gross domestic product, he said.

Many hopes were frustrated in the past 2 years, Arana stated. After Garcia's electoral victory in July 1985, at first many pinned their hopes on a change. After all, the APRA government broke with the practices of its predecessors who followed the IMF's recommendation to curb national production. Among the measures that were taken were the reduction of repayments to capitalist creditor banks, increased duties on foreign products, measures to boost the domestic industry, and wage increases with simultaneous price guarantees.

However, it was only possible to stick to this course until the foreign exchange reserves of $2 billion were spent. In addition, the government neither had an accumulation nor an investment concept to gradually reduce the Peruvian industry's total dependence on foreign countries. Moreover, it was let down by the domestic bourgeoisie, which made very high profits and transferred $4 to 6 billion abroad.

As a response to this boycott, the expropriation of banks was initiated, Arana said. The answer of the reactionaries was a furious campaign to defend private property. Traditional right-wing parties—Belaunde Terry's Popular Action (AP) and the Popular Christian Party (PPC)—united with Vargas Llosa and his Liberty movement.

The IU takes the challenges by the reactionaries seriously, Arana stated. In late January 1989 the first IU congress was held. It represented thousands of grass root committees of the movement and adopted a platform for an IU government. This, as well as an IU emergency program published on 1 May, shows the country the way out of its economic crisis. At the same time, both documents are aimed at eliminating the ubiquitous

corruption and at establishing peace in Peru. In this context, Arana stressed a special aspect of the situation in his country: the terrorist actions of pseudo-leftist and extreme right paramilitary groups similar to the Shining Path and the Commando Rodrigo Franco. The terrorists want to spread fear and terror by murdering selective members of leading cadres of the popular movement. The excesses of the Army and the police also have to be combatted. The masses must have the right to defend themselves to tackle this situation, he stated.

The Peruvian Communist Party, Peru's oldest political party and the strongest force within the IU, is struggling with perseverance to strengthen the mass movement and the unity of the left, Arana stated. Existing differences in opinion between IU members have to be overcome to ensure the success of the candidates of the Peruvian left in the presidential elections and to defeat the reactionaries, he said.

Venezuela

Minister Reports Arrest of ELN Guerrillas

PA0308153189 Paris AFP in Spanish 2122 GMT 2 Aug 89

[Text] Caracas, 2 Aug (AFP)—Defense Minister General Filmo Lopez confirmed today in Caracas that five guerrillas of the Colombian Army of National Liberation (ELN) have been arrested in Venezuelan territory.

Without giving any further details on their arrrest, Gen Lopez said that the guerrillas—five Colombians and one Venezuelan—were captured by soldiers in the area of Cutufi, Paez District, in Apure State, 800 km southeast of Caracas, near the Colombian Arauca Region.

Gen Lopez also reported the confiscation of weapons, maps of military facilities, and other documents, which are being reviewed by the police.

The detainees are being interrogated at the antiguerrilla command in the area. It was learned that they will be turned over to a military court in the city of San Cristobal, bordering Colombia.

Government Releases Improved Trade Figures

PA0308233089 Caracas Venezolana de Television Canal 8 in Spanish 0000 GMT 3 Aug 89

[Summary] Imports dropped 15 percent and nonpetroleum exports increased 12 percent during the first 6 months of 1989, compared to the same period in 1988, according to the central information and statistics office. These changes are due to a great extent to executive branch and private sector economic policies aimed at encouraging exports of nontraditional goods. The drop in imports reflects a favorable trend in foreign trade, which will undoubtedly have a positive effect on our balance of payments.

CTV Links Inflation Drop to Lower Consumption

PA0308231789 Caracas EL NACIONAL in Spanish 31 Jul 89 p D-8

[Summary] During a meeting of the National Agreement for a Concerted Effort attended by representatives from the Confederation of Venezuelan Workers (CTV), the Venezuelan Federation of Associations and Chambers of Commerce and Industry, and the government's Finance Ministry, CTV representative Federico Ramirez Leon said that inflation definitely has decreased in Venezuela as a result of a 40-percent reduction in consumption. He said, however, that the people have no other choice but to buy less and eat less, which has forced a drop in inflation. The government itself has admitted that this is not a suitable way to reduce inflation in the country.

Guyana

President Hoyte Offers Soldiers Free Land

FL0308135589 Bridgetown CANA in English 0903 GMT 3 Aug 89

[Text] Georgetown, Guyana, August 3, CANA— President Desmond Hoyte has praised the loyalty and commitment of Guyanese soldiers "in these extraordinary difficut times" and promised that his government will be providing them with land free of cost, the state radio reported.

The Guyana Broadcasting Corporation (GBC) said Hoyte, who is commander-in-chief of the Guyana Defence Force (GDF), made the remarks recently when addressing senior Army officers at their mid-year retreat at army headquarters, Camp Ayangana.

The GBC said Hoyte urged the soldiers to make positive plans to raise funds for housing and suggested that they make full use of agencies such as the GDF Credit Union, the Dependant's Pension Fund and the Guyana Cooperative Mortgage Finance Bank as possible sources of funding.

Hoyte also spoke about the availability of some basic items at reasonable prices at the GDF consumers outlet and the provision of transportation by the Army as measures which go a long way in providing relief for soldiers.

Business Community Reports on Government Talks

FL0208030589 Bridgetown CANA in English 2254 GMT 1 Aug 89

[Text] Georgetown, Guyana, Aug 1, CANA—Guyana's business community made "significant" progess in joint talks Monday with Finance Minister Carl Greenidge and Trade and Tourism Minister Winston Murray, a top Guyanese private sector official has reported.

President of the Georgetown Chamber of Commerce and Industry, Dennis Moore, told CANA Tuesday the talks focussed mainly on the business community's concerns about the government's consumption tax policy and the effects it was having on their operations.

The government, Moore added, had at last shown some willingness to address the consumption tax issue and it was agreed Monday, that the business representatives would meet with the finance minister on August 24 for follow-up discussions.

The chamber leader also reported that Greenidge promised that the Finance Ministry would step up its enforcement of the customs regulations - a decision which aimed at dealing with operations on the lucrative parallel market where a wide variety of contraband goods was usually readily available. He said the business community has also undertaken to submit lists of locally-produced goods which were threatened by unfair and unequal competition from the "untaxed parallel market trade."

A brief statement on the talks issued Tuesday by Moore, said Greenidge agreed to review the basis on which consumption tax was payable. He said it was also agreed that the chamber and the Guyana Manufacturers Association [GMA] would submit to the Finance Ministry, information about cases in which production in local industries was being adversely affected by increased rates of consumption tax.

Moore headed the chamber's delegation while the GMA team was headed by newly-elected president of the Guyana Manufacturers Association, Alston "Kim" Kissoon. The two presidents were accompanied by a number of prominent businessmen.

Opposition Wants Electoral Reform Talks
FL0308131889 Bridgetown CANA in English
2118 GMT 2 Aug 89

[Text] Georgetown, Guyana, Aug 2, CANA— Guyana's opposition Patriotic Coalition for Democracy [PCD] on Wednesday [2 August] announced that it has selected the leaders of its four member-parties as its representatives for talks with the government on electoral reform.

In a statement, the PCD said its Council of Guidance met Friday [28 July] and agreed to write Guyana President Desmond Hoyte about the talks.

The PCD comprises the Peoples' Progressive Party (PPP), the Working Peoples' Alliance (WPA), the Democratic Labour Movement (DLM), and the Patriotic Coalition for Democracy (PCD).

According to the PCD statement, the coalition informed Hoyte that former Premier Dr. Cheddi Jagan would make the opening presentation and his presentation will be supplemented by presentations from Paul Tennassee of the DLM, Llewellyn John of the PDM and Eusi Kwayana of the WPA.

The group has been trying to meet Hoyte for talks on electoral reform ever since its formation in January 1986. It claims the government has been rigging elections—charges Hoyte denied.

Venezuelan Airliner To Begin Weekly Flights
FL0108184589 Bridgetown CANA in English
2201 GMT 31 Jul 89

[Text] Georgetown, Guyana, July 31, CANA—The Guyana and Venezuelan Governments have signed a memorandum of understanding under which the Venezuelan airline, Linea Aeropostal Venezolana, will begin weekly flights to Georgetown by September.

Guyana's Directior of Civil Aviation Lt. Col. Anthony Mekdeci, who signed the memorandum on behalf of Guyana, told CANA on Monday [31 July] that a reciprocal arrangement has been worked out in keeping with which the Venezuelan airline will fly from Caracas to Port of Spain to Georgetown then on to Suriname before returning to Caracas.

In addition, an airline to be named by Guyana "sometime in the future" will be entitled to fly from Georgetown, to Port of Spain, to Caracas, then to Miami. He said the agreement covers passengers, cargo, and mail travelling aboard Aeropostal between Guyana and Caracas and not between any other points so that a passenger will not be able to jump aboard Aeropostal and travel to either Suriname or Trinidad and Tobago.

Mekdeci also explained that in keeping with the memorandum which will have to be ratified by an exchange of diplomatic notes between the two countries, provided that Guyana does not designate an airline to take up economic benefits on the specified route, provision is made for a profit sharing arrangement between Aeropostal and the Guyana Government.

He said there should be two reciprocal flights each week using any class of aircraft and Aeropostal will be able to repatriate its profits in accordance with the relevant legislation in force in Guyana.

Signing the agreement on behalf of Venezuela was General Director of Air Transportation General Alfredo Cabrera Rodriguez who led the Venezuelan team during the talks here last week.

Company Reports Million Dollar Theft Loss

FL0208175189 Bridgetown CANA in English 1716 GMT 2 Aug 89

[Text] Georgetown, Guyana, August 2, CANA— The state-owned Guyana Mining Enterprise Ltd. (Guymine) has reported that articles worth more than 1.1 million dollars (one Guyana dollar—3 U.S. cents) were stolen from its operation during the first half of this year. The company's assistant chief security officer, Mortimer Mingo, said on the company's weekly radio programme, "The week at Guymine",that there were 193 reports of theft. He said the upsurge in thefts was most prevalent in the mines, at the bauxite plant and the heavy earth moving equipment workshop, the stores, and the Surapana Farm. He listed among the items stolen—motor vehicle batteries, compressors, lister engines, and lubricants.

Mingo reported that of the more than 1.1 million dollars worth of items stolen, articles worth just over 306,493 dollars were recovered. He said investigations revealed that there seemed to be a lack of security consciousness amongst some of the company's frontline managers as a result of which proper handing-over procedures for "important and pilferable" assets of the company were not adhered to at the time of changing shifts.

Mingo applealed to the company's managers to make greater efforts to ensure the protection of the company's assets.

The company's communications department applealed to workers: "Let us not steal from ourselves."

Suriname

President Says Government To Implement Treaty

FL0308120089 Hilversum International Service in English 1030 GMT 3 Aug 89

[Text] President Ramsewak Shankar of Suriname has said his government will implement the Kourou Peace Treaty with the help of the Army, the police, and other groups of the population. Speaking on radio and television, President Shankar said that the government thinks the peace treaty is an important step in the direction of peace. He further said that the dismantlement of the Ronny Brunswijk jungle command and the integration of its members into the country's police force should be given the utmost priority.

The Kourou Peace Treaty was signed on the 21st of July by a government delegation and the jungle command. The treaty is to bring peace and lead to the development of the Suriname inland which has been hard hit by 3 years of armed struggle between the government army and the jungle command. President Shankar said that the government will soon announce an end to the hostilities.

To Strive for Consensus

FL0308211089 Paramaribo International Service in English 1730 GMT 3 Aug 89

[Text] President Ramsewak Shankar says that the government will start with the implementation of the Kourou Accord. The president declared that the disbanding of the Brunswijk Gang and the incorporation of the gang members in the police force will be given the highest priority. The president informed the nation on radio and television last night on the government's position regarding the Kourou Accord.

He said that the accord is a good basis for national peace. The head of state pointed out that the government will strive for national consensus in the course of implementing the accord. In this framework, different institutions and functional groups will be involved, said President Shankar. He said that the government will put speedy end to hostilities.

Unions Ask for Proposals To Change Accord

FL0308215189 Paramaribo International Service in English 1730 GMT 3 Aug 89

[Text] The four trade union federations, the C-47 [Centrale 47], the CLO [Central Organization for Civil Service], the PWO [Progressive Workers' Organization], and 'De Moederbond [General Confederation of Trade Unions], have asked the president for (?permission) to make proposals for changes in the Kourou Accord. Yesterday they explained their standpoint about the accord, which was signed between the government delegation and the delegation from the Brunswijk Gang.

The trade union federations are of the opinion that the accord is a good basis for peace. They, however, said that part of the accord, which could lead to the stagnation of its implementation, should be reconsidered.

The state's council, yesterday, also discussed the Kourou Accord. The political party [words indistinct] as being questionable and fictitious. The party demands that the agreement should be changed and called for the voting of a referendum on this question. The [words indistinct] is also of the opinion that other institutions should have been involved in the negotiations. The [words indistinct] gained four seats and one [word indistinct] during the general elections in 1987.